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UNITED NATIONS POPULATION FUND

Estimates for the Biennial Support Budget for 2002-2003

CONTENTS

	Paragraphs	Page
Abbreviations		3
Organization chart		4
I. EXECUTIVE SUMMARY	1-65	7
A. Financial framework	3-14	7
B. Objectives and strategy	15-54	9
C. Follow-up to ACABQ recommendations	55-59	19
D. Summary of proposals	60-65	20
II. PROPOSALS FOR THE 2002-2003 BIENNIAL SUPPORT BUDGET	66-171	28
A. General	66-140	28
B. Programme support	141-163	47
1. Country offices	146-154	47
2. Headquarters	155-163	49
C. Management and administration of the organization	164-171	50
III. DRAFT APPROPRIATIONS DECISION	172-173	53

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LIST OF TABLES

1. Resource plan 5
2. Summary of main areas of increase/decrease 12
3. Budget estimates by appropriation line and by location 22
4. Regular resources posts by category, appropriation line and location 24
5. Proposed net changes in regular resources post requirements, 2002-2003 44
6. Estimated distribution of information technology requirements, 2002-2003 45
7. Use of resources: Estimated regional distribution of programmes and programme support 46

LIST OF FIGURES

A. Use of total resources, 2002-2003 6
B. Budget estimates by appropriation line, 2002-2003 23
C. Regular resources posts by appropriation line, 2002-2003 25
D. Regular resources posts by category, 2002-2003 26
E. Regular resources posts by category and appropriation line, 2002-2003 27
F. Expenditures by category, 2002-2003 52

SUMMARY TABLES

I. Budget estimates by organizational unit within appropriation line, 2002-2003 54
II. Budget estimates by expenditure category within appropriation line, 2002-2003 55
III. Estimated distribution of posts by source of funds and organizational unit, 2002-2003 56
IV. Use of resources: Estimated distribution of programmes and programme support by region and by country 58

ANNEXES

I. Terminology 62
II. Methodology 64

ABBREVIATIONS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACC	Administrative Committee on Coordination
AD	Africa Division
APD	Asia and the Pacific Division
CST	Country Technical Services Teams
DASE	Division for Arab States and Europe
DMS	Division for Management Services
EDP	Electronic Data Processing
FNAS	Fields Needs Assessment Survey
ICPD	International Conference on Population and Development
IERD	Information, Executive Board and Resource Mobilization Division
IMIS	Integrated Management Information System
IPO	International Programme Officer
LACD	Latin America and Caribbean Division
MIS	Management Information Services/Systems
NPO	National Programme Officer
NGO	Non-governmental organizations
OAPR	Office of Audit and Performance Review
OED	Office of the Executive Director
OHR	Office of Human Resources
OOE	Office of Oversight and Evaluation
OPT	Office of Personnel and Training
RBM	Results-based management
RMS	Resource Management System
SPCD	Strategic Planning and Coordination Division
TSD	Technical Support Division
TAP	Technical Advisory Programme
UNIFOS	UNFPA Integrated Field Office System
WFPE	Work Force Planning Exercise

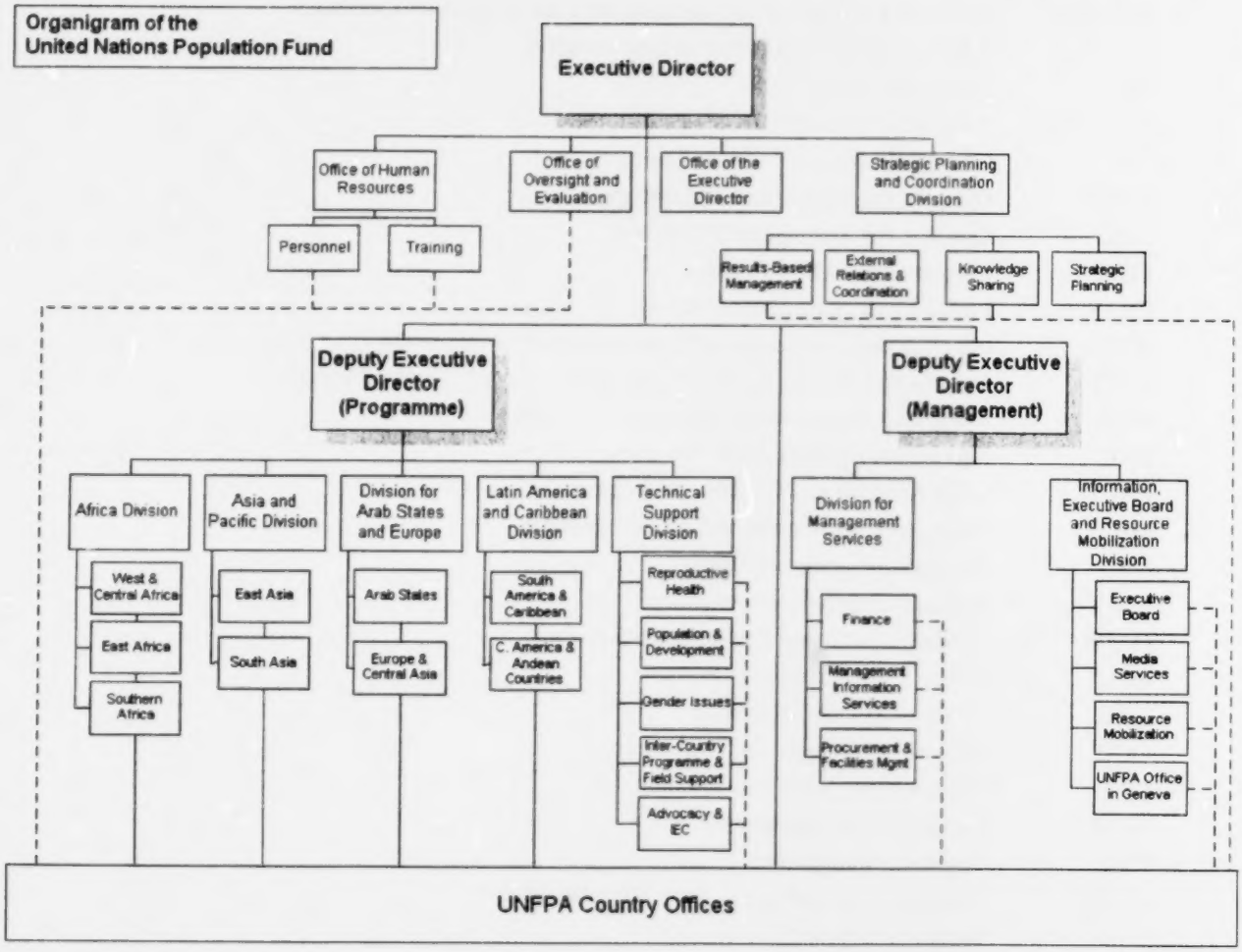

Organigram of the
United Nations Population Fund
Executive Director
Office of Human Resources
Office of Oversight and Evaluation
Office of the Executive Director
Strategic Planning and Coordination Division
Personnel
Training
Results-Based Management
External Relations & Coordination
Knowledge Sharing
Strategic Planning
Deputy Executive Director (Programme)
Deputy Executive Director (Management)
Africa Division
Asia and Pacific Division
Division for Arab States and Europe
Latin America and Caribbean Division
Technical Support Division
Division for Management Services
Information, Executive Board and Resource Mobilization Division
West & Central Africa
East Africa
Southern Africa
East Asia
South Asia
Arab States
Europe & Central Asia
South America & Caribbean
C. America & Andean Countries
Reproductive Health
Population & Development
Gender Issues
Inter-Country Programme & Field Support
Advocacy & IEC
Finance
Management Information Services
Procurement & Facilities Mgmt
Executive Board
Media Services
Resource Mobilization
UNFPA Office in Geneva
UNFPA Country Offices

Table 1. UNFPA resource plan
(Thousands of United States dollars) a/

	2000-2001 b/						2002-2003					
	Regular resources		Other resources		Total resources		Regular resources		Other resources		Total resources	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Resources available												
Opening balance	0.0		0.0		0.0		0.0		0.0		0.0	
Income -Contributions	621,000.0		50,000.0		671,000.0		580,000.0		80,000.0		660,000.0	
- Other c/			20,000.0		20,000.0				40,000.0		40,000.0	
Closing balance	0.0		0.0		0.0		-		-		-	
Reimbursement for services			2,700.0		2,700.0				2,500.0		2,500.0	
Total	621,000.0		72,700.0		693,700.0		580,000.0		122,500.0		702,500.0	
Use of resources - Programme and support activities												
UNFPA programmes and support activities												
A. Programmes	455,415.4	74.3%	70,600.0	97.1%	526,015.4	76.7%	393,439.6	68.8%	118,900.0	97.1%	512,339.6	73.8%
B. Programme Support												
-Country offices	64,127.6	10.5%			64,127.6	9.4%	71,431.7	12.5%			71,431.7	10.3%
- Headquarters	23,737.2	3.9%			23,737.2	3.5%	32,715.8	5.7%			32,715.8	4.7%
- Agencies												
Technical support	12,000.0	2.0%			12,000.0	1.8%	10,000.0	1.7%			10,000.0	1.4%
Adm. oper. support	18,000.0	2.9%	2,100.0	2.9%	20,100.0	2.9%	22,000.0	3.8%	3,600.0	2.9%	25,600.0	3.7%
Subtotal	30,000.0	4.9%	2,100.0	2.9%	32,100.0	4.7%	32,000.0	5.6%	3,600.0	2.9%	35,600.0	5.1%
Total programme support	117,864.7	19.2%	2,100.0	2.9%	119,964.7	17.5%	136,147.5	23.8%	3,600.0	2.9%	139,747.5	20.1%
C. Management and admin. of org.	39,519.9	6.4%			39,519.9	5.8%	42,312.9	7.4%			42,312.9	6.1%
Total	612,800.0	100.0%	72,700.0	100.0%	685,500.0	100.0%	571,900.0	100.0%	122,500.0	100.0%	694,400.0	100.0%
Biennial Support Budget												
Total net budget estimates	127,384.6				127,384.6		146,460.2				146,460.2	
Estimated income and adjustments												
Reimbursement for services d/	18,000.0		900.0		18,900.0		17,400.0		1,000.0		18,400.0	
Supplemental funding - recovery												
Other e/	4,000.0				4,000.0		4,400.0				4,400.0	
Subtotal	22,000.0		900.0		22,900.0		21,800.0		1,000.0		22,800.0	
Total gross budget estimates	149,384.6		900.0		150,284.6		168,260.2		1,000.0		169,260.2	

a/ Figures in this table and in the rest of the document are rounded to the closest decimal, and thus, there may be minor differences due to rounding.

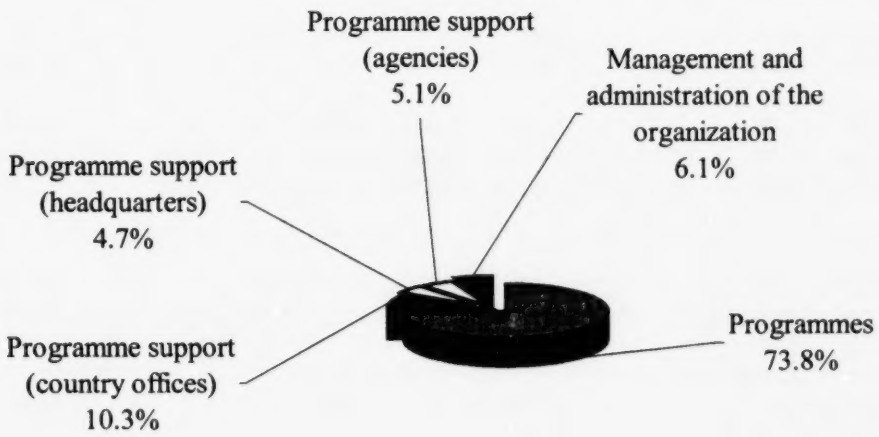
b/ As projected in the estimates for the biennial support budget for 2000-2001 (document DP/FPA/1999/11).

c/ Other contributions pertains to income obtained from private foundations

d/ Includes: Cost recovery 15,900.0
Reimbursable procurement (net) 1,500.0

e/ Includes the reimbursement of income tax to staff members who are nationals of certain states

Figure A. Use of total resources, 2002-2003



I. EXECUTIVE SUMMARY

1. The Executive Director of the United Nations Population Fund (UNFPA) submits herewith the estimates for the biennial support budget for 2002-2003. The proposal has been submitted to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for its examination and comments. (The report of the ACABQ is contained in document DP/FPA/2001/12.)

2. The proposed budget has been prepared in accordance with the harmonized format and guidelines for UNDP, UNFPA and UNICEF approved by the Executive Board in decisions 97/6 and 99/3. Documents DP/1997/2, Add.1, and DP/FPA/1999/1 provide details on the common format, terms and definitions, and methodology for the presentation of budget estimates. Annex I contains a list of terms and their definitions as agreed upon by the three organizations. Annex II contains an explanation of the methodology applied in calculating the budget estimates.

A. Financial framework

3. The proposed biennial support budget for 2002-2003 assumes a total income of $702.5 million, which consists of $580 million in regular resources and $122.5 million in other resources. This projection takes into account the trend in contributions as indicated by major donor countries concerning their pledges for 2001 and future years.

4. UNFPA's regular resources income in 2000 was $262.5 million, an increase of $8.3 million, or 3.3 per cent, from the 1999 income of $254.2 million.[1] This figure includes contributions from Governments, investment income, private donations and other miscellaneous income and adjustments and excludes all contributions received from donors for specific projects and activities under trust funds. Regular resources income for 2001 is estimated at approximately $270.3 million, bringing to $532.8 million the Fund's estimated regular resources income for 2000-2001. The total estimated income for 2000-2001, including an estimated $163.6 million of other income, is $696.4 million.

5. The total income estimate of $702.5 million used in the preparation of the biennial support budget for 2002-2003 represents a 1.3 per cent increase from the 2000-2001 budget estimate of $693.7 million. While the regular resources estimate of $580 million is 6.6 per cent lower than the 2000-2001 estimate of $621.0 million, the estimate for other resources of $122.5 million is 68.5 per cent higher.

6. UNFPA anticipates that as result of cost-containment efforts, the gross support budget expenditures for 2000-2001 will not exceed $141.4 million, or some $8.0 million or 5.4 per cent less than the approved appropriations. In terms of net budget, the expected expenditure is approximately $115.8 million, $11.6 million or 9.1 per cent lower than the approved net budget.

[1] Source: UNFPA Annual Financial Review, 1999 (document DP/FPA/2000/15).

7. Table 1, "UNFPA resource plan", provides the estimated resources available to UNFPA in the 2002-2003 biennium as well as their planned use. UNFPA does not foresee any carry forwards from the 2000-2001 biennium, nor from the 2002-2003 biennium to the next and plans to utilize all of the expected total income of $700 million during the biennium plus the some $2.5 million in income to be derived from reimbursable procurement activities, resulting in a total of $702.5 million.

8. It should be noted that UNFPA is mandated to maintain its operational reserve at 20 per cent of the projected regular resource income. Therefore, $8.1 million of income will have to be added to the operational reserve for the biennium. This is reflected in table 1, which shows that the planned use of resources of $571.9 million is $8.1 million less than the total of available regular resources of $580 million. As always, the largest portion of resources, $512.3 million, or 73.8 per cent of the total expected expenditure, will be expended on programmes, a percentage slightly lower than the one of the previous biennium of 76.7 per cent. Figure A shows how total resources will be distributed in the next biennium.

9. The remaining resources, or 26.2 per cent of total expenditures, will be used for programme support (headquarters and country offices), agency programme support costs, and the management and administration of the organization. The proposed biennial support budget for 2002-2003, which amounts to $146.5 million (net) or $168.3 million (gross)[2] consists of three components: programme support at the country level, programme support at headquarters, and management and administration of the organization, which together account for 25.2 per cent (net) or 29.0 per cent (gross) of the regular resources income estimate of $580.0 million. Calculated as a percentage of the total estimated resources of $702.5 million during the biennium, the net biennial support budget represents 20.9 per cent and the gross biennial support budget represents 24.0 per cent.

10. As shown in table 1, the net biennial support budget for 2002-2003 accounts for 21.1 per cent of the total expenditure, broken down as follows: programme support at the country level (10.3 per cent); programme support at headquarters (4.7 per cent); and management and administration of the organization (6.1 per cent). In the 2000-2001 budget, the corresponding figure was 18.7 per cent.

11. Some of the organizational units at UNFPA, while being funded through the biennial support budget, perform tasks associated with other resources related to programmes (multi-bilateral funds) and procurement services provided to government-executed projects. Reimbursement for services rendered by UNFPA is recorded as income to the regular resources budget to compensate for the related costs, as explained in the document "Harmonization of budgets: UNDP, UNFPA and UNICEF" (DP/1997/2) (see paras. 31-40 in particular). Because of the relatively small scale of these resources, it would not be cost-effective to apportion the costs recovered to all the organizational units that provide the requisite support. Thus, the total

[2] *Gross budget*: The budget in which staff costs are estimated on a net basis (i.e., exclusive of staff assessment) and all other costs are estimated on a gross basis, i.e., inclusive of income-tax payments for staff, total local office costs, and cost of services to be rendered. *Net budget*: The budget in which estimates of payments to be received offset, in whole or in part, the related gross budget estimates.

estimated income in the amount of $15.9 million estimated for the 2002-2003 biennium is credited proportionately among programme support at the country level, programme support at headquarters, and management and administration of the organization.

12. Procurement services to third parties are administered separately from regular resources. In line with the UNFPA Financial Regulations and Rules, the balance of income remaining at the close of the biennium after meeting the direct costs of these services is also credited to the biennial support budget. Income from reimbursement for services to third parties during 2002-2003 is estimated to be $2.5 million. Of this amount, $1.0 million will be spent for direct costs and operating expenses pertaining to procurement staff. The balance of $1.5 million will be credited as income to the regular resources budget, which is apportioned among the three appropriation lines.

13. In addition, in accordance with an earlier ACABQ recommendation (DP/FPA/1997/15), which is also reflected in the budget harmonization methodology (DP/FPA/1999/1), income tax reimbursed to nationals of certain states, estimated at $4.4 million for 2002-2003, has also been credited to the biennial support budget.[3]

14. The three components outlined in paragraphs 11-13 above (i.e., $15.9 million for cost recovery, the $1.5 million for net income from reimbursable procurement, and the income-tax reimbursement of $4.4 million) total $21.8 million. This expected income to the gross budget of $168.3 million, yields a net budget of $146.5 million.

B. Objectives and strategy

15. UNFPA enters the 21st century with a new Executive Director and a clear mandate that reflects a strong international consensus on population and development as spelled out in the Programme of Action of the International Conference on Population and Development (ICPD) and the "Key Actions" adopted in the ICPD+5 review. In addition, some of the major ICPD and ICPD+5 goals, including reducing maternal mortality, combating the spread of HIV, and educating girls, have been incorporated into the Declaration of the Millennium Summit, which was issued in September 2000 following an historic meeting held at United Nations headquarters of the world's political leaders. As it enters the new century, UNFPA has set forth a series of goals to be undertaken during a period of transition under its new Executive Director:

(a) adjusting the strategic direction for UNFPA to position the organization within the Millennium Agenda issued by the Secretary-General prior to the Millennium Summit;

(b) strengthening institutional capacity to plan and manage for results;

(c) building a highly connected organization within and outside its boundaries;

(d) establishing a clear and refreshed identity and a strategy to make the mission and commitment of the organization more widely known; and

[3] This credit is included in the "estimated income and adjustments" line in table 1 under "other".

(e) instilling a shared organizational culture that strives for excellence.

16. These areas are being addressed by UNFPA on a number of fronts, and financial support is being provided by several private foundations to support the Fund throughout this transition process.

1. Strategy

17. In structuring the proposals for the biennial support budget for 2002-2003, several strategic considerations have been taken into account: (a) the need to reach the goals of the ICPD and the ICPD+5 review, many of which are included in the Millennium Agenda; (b) the need to combat the spread of HIV/AIDS, especially by helping to ensure reproductive health commodity security, including for condoms; (c) the need to implement the Fund's multi-year funding framework (MYFF) adopted by the Executive Board in decision 2000/9; (d) the need to strengthen the Fund's field operations; (e) the need to build national capacity to design and implement population and reproductive health policies and programmes through such mechanisms as the Technical Advisory Programme (TAP); (f) the need to strengthen relations with partners both inside and outside the United Nations system; and (g) the need for the Fund to play its full role in the ongoing process of United Nations reform.

ICPD and ICPD + 5

18. The ICPD Programme of Action, adopted in Cairo, Egypt, in September 1994, set out goals for the international community to reach by the year 2015. UNFPA has a large role to play in helping to make those goals a reality. The goals adopted at Cairo were refined during the ICPD+5 review in 1999 in light of the first five years' experience in implementing the Programme of Action. Together, the ICPD and ICPD+5 review constitute the policy and programme framework of UNFPA.

19. The full implementation of the ICPD Programme of Action is a long way off, and progress has been uneven. Not all countries have the financial means and the human resources needed to achieve the goals of the ICPD, and some countries are still at the very early stages of implementing the Programme of Action. In some parts of the world, severe financial crises, natural disasters, social instability, conflict and civil unrest have had major consequences for health and development and have adversely affected the ability of those countries to achieve the ICPD goals. In many countries, the poorest segments of society continue to live without adequate access to basic social services. Clearly, much more remains to be done. UNFPA continues to orient its programmes and, by extension, its organizational structure to helping developing countries, particularly those most in need, in line with Executive Board decision 2000/19 on the allocation of programme resources, to fully realize the Programme of Action.

HIV/AIDS prevention

20. Preventing the spread of HIV is an increasingly important dimension of all of the Fund's programmes. UNFPA is programming more of its regular resources to combat HIV/AIDS

globally. The Fund has identified three priority areas for its activities: prevention among youth and adolescents; comprehensive condom programming; and prevention of HIV infection in mothers and its transmission to their children.

21. To be able to address prevention effectively, a number of key elements are taken into account: advocacy for political commitment and financial support in fighting the spread of HIV; support for voluntary HIV testing and counselling; efforts to combat other sexually transmitted infections (STIs), which increase the risk of HIV infection; support for reproductive health programmes in emergency situations for refugees and internally displaced persons; and interventions to address the gender dimensions of the pandemic. UNFPA has been active in mobilizing more resources for HIV/AIDS activities. These initiatives have resulted in about $75 million from the United Kingdom and the Netherlands to procure reproductive health commodities, including condoms; $57 million from the Bill and Melinda Gates Foundation and about $25 million from the United Nations Foundation to expand the scope of programmes combating the spread of HIV among young people; and the joint European Commission-UNFPA initiative on reproductive health in Asia. Administering such initiatives, which have the potential for truly making an impact on the spread of HIV/AIDS throughout the world, represents a tremendous challenge for UNFPA and has a direct impact on programme support.

22. One of the most significant ways in which UNFPA is helping to combat the spread of HIV is through helping countries ensure reproductive health commodity security, including adequate supplies of condoms. During the ICPD+5 review, Governments urged UNFPA to strengthen it leadership role in assisting countries "to ensure availability of reproductive health services and choice of reproductive health products, including contraceptives". In response, the Fund in 2000 developed a global strategy for reproductive health commodity security that has become a fundamental device for coordinating the efforts of the international community to ensure commodity security and to help developing countries meet the goals of the ICPD. The strategy is being fully integrated into country programmes. UNFPA will continue in its global leadership role, helping countries procure quality, low-cost reproductive health supplies. However, it is understood that UNFPA alone cannot bring about secure supplies of reproductive health commodities. Coordination of the efforts of a growing number of partners in the public, private and NGO sector is recognized in the global strategy. Even though such activities are largely being funded through programme resources from regular and other sources, this global initiative is expected to increase the demands on UNFPA's programme support budget.

23. During 2000, a Commodity Management Unit (CMU) was established at UNFPA headquarters to guide and manage the reproductive health commodity security strategy. Because its work is at the core of UNFPA's mandate, it is proposed that starting in 2002, the Professional posts in the Commodity Management Unit be shifted from the current project budget to the biennial support budget. It should be noted in this context that the Executive Board has emphasized that contraceptive commodity procurement and logistics activities should be an integral component of the overall work of the Fund in strengthening reproductive health programmes (decision 95/36) and endorsed the creation of an in-house global commodity management team to facilitate this (decision 96/14 and corresponding document DP/FPA/1996/2).

Table 2. Summary of main areas of increase/decrease

(Thousands of United States dollars)

	Volume a/	Cost a/	Total
I. 2000-2001 Net appropriation estimates			127,384.6
II. Increases			
New posts, headquarters	1,419.6	-	
Net effect of new rental contract, headquarters premises	-	3,638.5	
Additional premises, headquarters	1,646.4	-	
Separation packages	2,000.0		
Post reclassification, headquarters	1,083.5		
Connectivity project	1,096.4	-	
Resource Management System	3,192.4		
Net inflation/step and other cost adjustments, headquarters		4,467.0	
Net inflation/step and other cost adjustments, field		5,545.1	
	-		
Subtotal	10,438.3	13,650.6	
III. Decreases			
Net volume reductions, headquarters, not including posts	(2,877.9)		
Net volume reductions, headquarters, posts	(1,307.0)		
Net volume reductions, field	(2,055.7)		
Subtotal	(6,240.6)	-	-
IV. Net other increases/decreases	1,027.3		
V. Net change in estimated income to the budget	200.0	-	
VI. 2002-2003 Net appropriation estimates	5,425.0	13,650.6	146,460.2

a/ See annex II, Methodology, for the definition of volume and cost.

Multi-year funding framework

24. The Executive Board approved the 2000-2003 MYFF in decision 2000/9. It is expected that the MYFF will help put UNFPA's funding on a more predictable, assured and continuous basis. The Board welcomed the strategic direction of the MYFF and requested the Executive Director to implement it while continuing to develop and refine it as a strategic management tool at headquarters and country levels. The Board encouraged all countries to assist UNFPA in reaching the figure of $1,434 million for regular and supplementary resources for the MYFF period.

25. The 2000-2003 MYFF reflects the results that the Fund is working to achieve in the context of the ICPD and ICPD+5 and establishes indicators to demonstrate progress towards achieving those results. The UNFPA policy on results-based management (RBM) guides UNFPA staff in all areas of the Fund's work. It affirms UNFPA's commitment to addressing issues of population and development, reproductive health, gender equality, and women's empowerment.

26. The Fund has embarked on a comprehensive programme to align the organization towards managing for results. Mainstreaming results-based management (RBM) calls for maximum use of existing resources and procedures and a process of cultural change with strong leadership from senior management. It should build on the institutional change process that is under way; strengthen results-oriented planning, monitoring, evaluation and reporting; promote sharing of knowledge and effective feedback of lessons learned; and reinforce RBM capacity among staff and national partners.

27. The Fund must now invest the required resources in building capacity through integrating RBM into regular training activities and workshops; establishing a pool of RBM facilitators and mentors in headquarters and in the field; providing the necessary technical support to country programmes; orienting, coordinating and strengthening existing systems for programme planning, monitoring and evaluation and reporting towards results; and instituting a system of human resource management that encourages management and staff to learn continuously, to integrate what has been learned, and to feed lessons back into the organization for improved decision-making.

Strengthening field operations

28. In strengthening its field operations the Fund needs to develop the tools that allow a flexible response to varying types and levels of support requirements. It also needs to strengthen the management capacity of its field offices. One initiative that is being undertaken is to create informal teams across thematic areas and geographical regions in order to increase integration of field and headquarters operations. In order to get an overall view of the needs of its field offices, UNFPA has decided to conduct a study in 2001 of the country offices' specific needs – the Field Needs Assessment Survey (FNAS). A working group composed of field and headquarters staff and members of the Country Technical Services Teams (CSTs) is being established to support this study.

29. UNFPA is proposing to review the findings of the FNAS and to request any necessary revisions to the 2002-2003 budget that result from the study to the Executive Board at the second regular session 2002. The purpose of the revised budget would be to integrate the needs of field offices with the restructuring of headquarters that is laid out in the proposals for the biennial support budget and to balance the staff levels and costs between headquarters locations and the field. The FNAS will therefore provide critical information on the emerging needs of field offices and constitute a reference point for reviewing the realignment of headquarters.

Technical Advisory Programme

30. The TAP is an arrangement between UNFPA, a number of United Nations agencies and organizations and selected NGOs through which technical assistance is provided to developing countries in the Fund's core programme areas as well as in such cross-cutting areas as gender and information, education and communication (IEC). The TAP's purpose is to develop national capacity while assisting countries in achieving the goals of the ICPD and to ensure the quality of UNFPA's country programmes. The TAP is a two-tier arrangement in which the first tier is composed of nine CSTs and the second tier is made up of Technical Advisory Services (TAS) specialists posted at the headquarters or regional offices of the participating agencies and organizations.

31. In decision 1999/19, the Executive Board approved the implementation of TAP arrangements for the period 2000-2001 and requested the Executive Director to submit a report on further options for strategic and technical assistance to UNFPA country programmes and to propose a preferred option concerning future arrangements for such assistance. This report will be submitted to the Board at the first regular session 2002.

32. UNFPA apportions the costs of the TAP between programme and programme support costs (see table 1) to reflect the fact that although the CST and TAS specialists carry out mostly programme functions, they also perform some programme support functions as well. TAP posts are project posts, tied to projects, that provide direct input to programmes and projects. In 2000-2001, the apportionment of total TAP costs between programme and programme support (listed in table 1 under "Agencies, technical support") was 75 and 25 per cent, respectively, based on estimates of the actual time that specialists devoted to their functions. Pending the recommendations of the Executive Director concerning the TAP and the decision of the Executive Board in January 2002, the same breakdown is proposed for the 2002-2003 budget and the interim provision for the TAP has been set at $20.0 million per year.

Partnerships

33. Different and more complex ways of doing business increasingly involve UNFPA in working with new partners beyond the traditional ones and increasing interaction and dialogue with civil society. Fully recognizing that achieving the goals of the ICPD and ICPD+5 cannot be achieved without widespread cooperation and collaboration, UNFPA continues to work to strengthen its partnerships with a wide variety of organizations, including other United Nations agencies, government counterparts in programme countries, bilateral donor agencies, civil society organizations, foundations and the private sector. The organizational and staffing

arrangements that are outlined in this proposed biennial support budget reflect the growing importance of nurturing such relationships through a strengthened external relations presence; greater use of innovative media to carry out global and country-level advocacy; and the ability to generate, account for and report on increased levels of multi-bilateral funding, including a growing amount from private foundations.

United Nations reforms

34. UNFPA continues to be actively engaged in a number of system-wide coordination processes and fully supports the United Nations reforms. The Fund is a member of the United Nations Development Group (UNDG) and its Executive Committee and participates in all of the UNDG subgroups and activities. The Fund also participates in a number of other coordination mechanisms, notably the other executive committees that have been established as part of the United Nations reform process and the United Nations system-wide coordination machinery of the Administrative Committee on Coordination (ACC). In reviewing its staffing requirements for presentation in this proposed budget, the Fund has taken into account the need to participate actively in these structures and mechanisms both at headquarters and in the field.

2. Financial implications of strategy implementation

35. The Executive Director requests appropriations of $168.3 million (gross) or $146.5 million (net) for the 2002-2003 biennium to cover the cost of staff and support resources that are considered essential for the continued delivery of high-quality programmes. The proposed net budget reflects an increase of $19.1 million, or 15.0 per cent, in absolute terms from the budget for 2000-2001 and includes improvements that are essential to move the organization forward in fulfilling its role in the implementation of the ICPD Programme of Action and the ICPD+5 review.

36. In adopting the MYFF, the Executive Board noted the funding scenarios presented in document DP/FPA/2000/6 as targets for UNFPA's resource mobilization efforts and encouraged all countries to assist UNFPA in reaching the figures projected in Scenario One of the MYFF for regular and supplementary resources for the period of 2000-2003. The Executive Director planned the Fund's work for the current MYFF period on the basis of that scenario.

37. In the Executive Director's annual report to the Executive Board for the year 2000 (document DP/FPA/2001/4/Part II), UNFPA's official income estimate from regular resources in 2002-2003 was projected at $540 million. This projection was based on a no-growth amount of $270 million for each of the two years. However, data showing that UNFPA's regular resources have grown by 3.3 per cent in the past year and the momentum generated by the transition outlined in paragraphs 15-16 above indicate that a higher estimate for regular resources for 2002-2003 is not unreasonable and that the MYFF projections for general resources might be too conservative, thus allowing a higher income scenario for the 2002-2003 budget. Hence, the current budget proposal is based on an income assumption from regular resources for the 2002-2003 biennium adjusted upwards vis-à-vis DP/FPA/2001/4/Part II to $580 million.

38. It should be noted that this projection of regular resources – although higher than the one reflected in DP/FPA/2001/4/Part II – is still 6.5 per cent lower than the income assumption for regular resources of $621 million on which the 2000-2001 budget was based and as much as 19.4 per cent lower than the $720 million estimate used for the 1998-1999 budget estimate. The proposal being submitted to the Board represents a continuing effort to ground the budget on a more realistic estimate of income projections from one biennium to the next.

Additions

39. Many of the additions in the proposed budget are mandatory and unavoidable. Some, however, are targeted to improve the way the organization works. These amounts are not recurrent, i.e., their costs will be borne under the 2002-2003 biennial support budget while their benefits will extend beyond that time-frame.

40. Some of these additions – such as the proposed improvements in the currently inadequate financial monitoring system – are overdue and are urgently needed in order to avoid any erosion of the Fund's efficiency. All of the major increases in volume reflected in the proposed budget are "strategic" – connectivity, staff redundancy, strengthening the Finance Branch and MIS. They will be presented in detail throughout the document and include:

(a) Improved connectivity for the field offices with government counterparts, headquarters and global networks;

(b) The upgrading of the current financial monitoring system into a new Resource Management System (RMS) which has been delayed for several years;

(c) A realigned structure at headquarters to better serve field offices;

(d) The strengthening of the MIS capacity of the Fund through the establishment of one new Professional post;

(e) The establishment of the Commodity Management Unit financed from regular resources to reflect the increased importance of this activity in the context of UNFPA's mandate;

(f) The improvement of UNFPA's capacity to interface with UNDP's accounting system (IMIS) through the establishment of an IMIS coordinator post;

(g) The strengthening of UNFPA's visibility and advocacy capabilities through the establishment of three additional posts: an audio-visual media officer, a speechwriter and a senior editor;

(h) The strengthening of the financial management capacity of the Fund through the establishment of one new Professional post.

41. Table 2, "Summary of main areas of decrease/increase", outlines the financial effects of UNFPA's strategy for the coming biennium, highlighting the main additions and reductions in the 2002-2003 budget compared to the 2000-2001 budget.

Volume increases

42. Table 2 shows that the main thrust of UNFPA's strategy for 2002-2003 will be to improve its systems and establish full connectivity with its field offices ($1.1 million) and to upgrade the current financial monitoring into the new RMS ($3.2 million). The combined increase in volume is $4.3 million.

43. Table 2 also reveals UNFPA's emphasis on strengthening its human resources in order to better respond to new challenges: the establishment of eight new posts at headquarters with clearly defined technical profiles accounts for an increase in volume of $1.4 million while the realignment of staff at UNFPA headquarters – which has resulted in the reclassification of a number of headquarters posts, both at Professional and General Service levels – accounts for $1.1 million. Furthermore, UNFPA is planning to set aside $2.0 million for the biennium for staff outplacement costs in order to establish conditions to facilitate the entry of a new generation of staff into the organization.

44. In 1999, UNFPA initiated a Workforce Planning Exercise (WFPE) to assess staff roles and responsibilities at headquarters to see how the organization as a whole could better support field operations. Changes in the composition and size of headquarters organizational units took effect on 1 November 2000 with the intention of reviewing their implementation during the course of the year to evaluate their effectiveness. The highlights of this headquarters realignment include the establishment of a new Strategic Planning and Coordination Division. In addition, the WFPE established new terms of references for all Professional and General Service staff at headquarters. As a result of an independent, outside evaluation of these terms of reference, it is proposed to upgrade 24 Professional posts and downgrade 6 Professional posts at headquarters in order to create a better management structure as well as a more progressively balanced framework for mobility and career development. The proposals also reflect evolutionary changes within UNFPA in which headquarters professional staff are being called upon to taken a more strategic role in implementing the Fund's mandate.

45. Similarly, the more complex work of the support staff, partly as a result of the increased use of information technology and partly because many staff now work in teams rather than support the work of one supervisor, has been recognized. Hence, a number of support posts, 32 in all, are proposed for classification at a higher level while 4 General Service posts are proposed to be classified downwards. In addition, because of the increased efficiencies being realized through greater use of information technology, it is proposed that 6 General Service posts be abolished.

	Reclassified upwards	Reclassified downwards	Total Reclassified
Professional posts	24	6	30
General Service posts	32	4	36
Total	56	10	66

Cost increases

46. As indicated above, UNFPA will have to face in the next biennium a large increase in mandatory costs. The net effect of the new rental contract totals $3.6 million.[4] The rent of an additional floor (which will impact the 2002-2003 budget only for its first six months) to facilitate renovations at headquarters plus one additional floor for the whole biennium to accommodate increased project staff, Junior Professional Officers (JPOs) and the UNFPA Audit Section currently located at UNDP will involve an additional cost of $1.6 million (volume).

47. At the field level, UNDP is implementing a policy targeted to recover in full the additional operational costs that it bears in undertaking certain administrative tasks for its sister agencies. In addition, costs for staff security are expected to increase in the next biennium. As a result of these two projected increases, UNFPA foresees additional costs in the amount of $850,000 over the period of the biennium.

48. At headquarters, increases in both volume and cost pertaining to services provided primarily by the United Nations Secretariat and UNDP total $700,000. Finally, cost increases pertaining to inflation, step increases and other staff adjustments at headquarters and in the field total $4.5 million and $5.5 million, respectively.

Reductions

49. Given the mandatory cost increases described above and in view of the need to maintain the budget increase within acceptable levels, UNFPA is planning to realize reductions compared to the previous biennial support budget in several areas. However, UNFPA's leeway to implement cost savings that would not compromise the operational capacity of the organization to carry out its mandate is limited.

50. As mentioned above, UNFPA proposes the elimination of six General Service posts. These cuts result in a volume reduction of $1.3 million over the period of the 2002-2003 support budget compared to the previous period. In addition, two existing Professional posts will be relocated from headquarters to the field. The final result of addition, deletion and relocation to the field of headquarters posts is that there will be no change in the total number of headquarters posts proposed for the 2002-2003 biennium. Section II of this document includes details on the proposed staff changes.

51. By applying efficiency measures, UNFPA expects to further reduce certain other expenses, particularly at headquarters. With regards to hiring consultants and travel at

[4] Including custodial expenses, maintenance and utilities.

headquarters, the reduction vis-à-vis the 2000-2001 biennium is approximately $219,000. The Fund will also keep monitoring closely the levels of expenditures in country offices, while respecting the spirit of financial decentralization, by managing the annual allotments issued to them.

52. Finally, table 2 reflects a net decrease of $200,000 for income to the budget. The components of the income to the budget are described in section A of this report (paras. 11-13). These income estimates are largely based on the actual 2000 figure of $10.5 million, which includes the income to be generated by the new cost-recovery rates approved by the Executive Board in its decision 99/22, as well as document DP/FPA/1998/11.

Net result

53. Overall cost increases, as shown in table 2, amount to approximately $13.7 million. This takes into account inflation and mandatory increases in staff salaries. As can be seen in table 3, cost increases related to headquarters amount to $8.1 million while those pertaining to country offices amount to $5.6 million. The proposed 2002-2003 biennial support budget reflects the additions and reductions in staffing levels as a result of the realignment exercise in New York.

54. The ultimate result of the additions listed in paragraph 53 above is an increase in the ratio of the level of the net support budget to the Fund's regular income compared to the 2000-2001 biennium from 20.5 per cent to 25.3 per cent. However, because of the positive trend UNFPA is experiencing in non-core contributions, the ratio of the level of the net support budget to total combined resources is only slightly higher than in the 2000-2001 biennium – from 18.4 per cent to 20.9 per cent.

C. Follow-up to ACABQ recommendations

55. In accordance with paragraph 2 of document DP/FPA/1999/14 "Report of the Advisory Committee on Administrative and Budgetary Questions", UNFPA is providing information on the implementation and follow-up to the recommendations of the ACABQ.

56. The first recommendation concerns the inclusion of information pertaining to field offices to be presented in an annex to the budget submission similar to that shown in document E/ICEF/1999/AD/L.7, annex III, for the biennial support budget of UNICEF. UNFPA has followed the recommendation of the ACABQ and a table IV, similar to the one referred to in DP/FPA/1999/14, has been included in the annex.

57. On the Committee's comment pertaining to the proposed expansion of field offices (paragraph 13 of the Committee's report), UNFPA has taken into account the actual resource situation in implementing such expansion in that of the 46 new local posts approved in the 2000-2001 biennial support budget only those located in category "A" countries, those countries in greatest need for UNFPA's assistance, have been filled at present.

58. On the Committee's recommendation that UNFPA should continue to contain its administrative and programme support costs, the Fund reiterates that many of the additions in the

proposed budget are mandatory and unavoidable and that the remainder are strategic, not recurrent, and are urgently needed in order to avoid any erosion of the Fund's efficiency. UNFPA wishes to stress that this proposal is to be considered as the first step of a process that will continue with the Field Needs Assessment Survey, which is expected to result in revisions to the 2002-2003 biennial support budget that UNFPA would submit to the Board at its second regular session 2002.

59. Finally, on the ACABQ's recommendation pertaining to UNFPA's assessment of the potential benefits that might be gained by investments in information technology (para. 20 of the Committee's report), UNFPA has included a detailed section on its MIS strategy for the next biennium in this report (paras. 125-136). The Fund wishes to underscore that the introduction of new technologies has resulted in the proposed cut of six support posts at headquarters as well as in a progressive reduction of the percentage of clerical posts.

D. Summary of proposals

60. The biennial support budget for 2002-2003 is estimated at $168.3 million (gross) and $146.5 million (net), taking into account credits of $21.8 million to be earned by UNFPA and applied to the biennial support budget, in accordance with the methodology outlined in document DP/1997/2 and DP/FPA/1999/1 and approved by the Executive Board.

61. The proposed budget represents an effort to implement UNFPA's strategy as described above as well as to accommodate mandatory cost increases. The proposed net appropriation represents an increase of 15.0 per cent from the 2000-2001 net appropriation of $127.4 million. The 2002-2003 proposed gross appropriation is 12.6 per cent higher than the 2000-2001 approved gross appropriation of $149.4 million.

62. Table 3 displays the budget estimates by appropriation line and location. UNFPA will make net volume increases of $5.4 million overall while cost increases are estimated in the amount of $13.7 million, including inflation and other cost increases such as the increase in the New York rental costs as described in paragraphs 118-120. The table shows that of the total net increase of $19.1 million, 71.7 per cent, is attributable to increases in prices, rates and costs over which UNFPA has no control.

63. Figure B also shows that slightly less than half of the requested gross appropriation (48.8 per cent) relates to country offices. The other half is shared by programme support at headquarters (22.3 per cent) and the management and administration of the organization (28.9 per cent). As seen in table 3, the corresponding ratios in 2000-2001 were 50.3 per cent to the field, and 49.7 per cent to headquarters (programme support, 18.6 per cent; management and administration of the organization, 31.0 per cent). The headquarters portion of the proposed budget therefore increases by 1.5 per cent compared to the previous biennium, which is the effect of the renewal of the New York premises lease and other mandatory cost increases such as reimbursement to the United Nations and UNDP for services rendered.

64. Table 4 summarizes the regular resource posts of the organization by category, appropriation line and location. The proposal includes a net increase of two posts, which would

bring the total staffing of UNFPA to 1,020 posts. This would be the net result of eight additional Professional posts and the elimination of six General Service posts, all at headquarters, the latter being largely the result of investments by the Fund in information technology and office automation. The table also shows, however, that the overall number of headquarters posts stays unchanged, due to the proposed relocation of two headquarters professional posts to the field.

65. Figure C shows that 76.3 per cent of the total posts are assigned to country offices, with the balance being at headquarters, distributed between programme support (10.5 per cent) and management and administration of the organization (13.2 per cent). The breakdown by category is as follows: 202 internationally recruited posts and 818 locally recruited posts (131 in headquarters and 687 in the field). Figure D shows that the internationally recruited posts account for 19.8 per cent of all UNFPA regular resource posts, whereas locally recruited posts represent 80.2 per cent (national professional, 16.7 per cent; and General Service and other, 63.5 per cent). The share of General Service and other staff as a percentage of total budgeted staff has decreased by 0.7 per cent compared to the previous biennium.

Table 3. Budget estimates by appropriation line and by location
(Thousands of United States dollars)

Gross budget estimates	2000-2001 Approved appropriations	% of Total	Changes Volume Inc./(Dec.)	%	Cost Inc./(Dec.)	%	2002-2003 Proposed estimates	% of Total
By appropriation line								
Programme support								
Country office	75,202.8	50.3%	1,316.1	1.8%	5,545.1	7.4%	82,064.0	48.8%
Headquarters	27,836.7	18.6%	5,751.1	20.7%	3,997.5	14.4%	37,585.2	22.3%
Mgmt. and admin. of org.	46,345.2	31.0%	(1,842.2)	-4.0%	4,108.0	8.9%	48,611.0	28.9%
TOTAL	149,384.6	100.0%	5,225.0	3.5%	13,650.6	9.1%	168,260.2	100.0%
By location								
Country office	75,202.8	50.3%	1,316.1	1.8%	5,545.1	7.4%	82,064.0	48.8%
Headquarters	74,181.8	49.7%	3,908.8	5.3%	8,105.5	10.9%	86,196.2	51.2%
TOTAL	149,384.6	100.0%	5,225.0	3.5%	13,650.6	9.1%	168,260.2	100.0%
Estimated Income	(22,000.0)		200.0	-0.9%			(21,800.0)	
Net budget estimates	127,384.6		5,425.0	4.3%	13,650.6	10.7%	146,460.2	

Figure B. Budget estimates by appropriation line 2002-2003

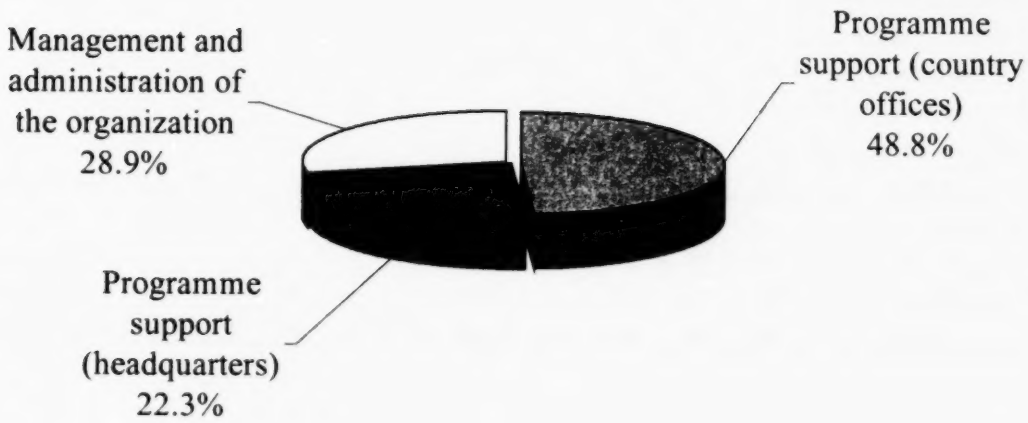

Management and administration of the organization 28.9%
Programme support (country offices) 48.8%
Programme support (headquarters) 22.3%

Table 4. Regular resource posts by category, appropriation line and location

Posts	2000-2001 Approved posts					Changes Increase/Decrease (net)				2002-2003 Proposed posts				
	IP	NP	GS/ Oth.	Total	% of Total	IP	NP	GS/ Oth.	Total	IP	NP	GS/ Oth.	Total	% of Total
By appropriation line														
Programme support														
Country offices	89	170	517	776	76.2%	2	0	0	2	91	170	517	778	76.3%
Headquarters	54	0	55	109	10.7%	3	0	(5)	-2	57	0	50	107	10.5%
Mgmt. and admin. of org.	51	0	82	133	13.1%	3	0	(1)	2	54	0	81	135	13.2%
TOTAL	**194**	**170**	**654**	**1,018**	**100.0%**	**8**	**0**	**(6)**	**2**	**202**	**170**	**648**	**1,020**	**100.0%**
By location														
Country offices	89	170	517	776	76.2%	2	0	0	2	91	170	517	778	76.3%
Headquarters	105	0	137	242	23.8%	6	0	(6)	0	111	0	131	242	23.7%
TOTAL	**194**	**170**	**654**	**1,018**	**100.0%**	**8**	**0**	**(6)**	**2**	**202**	**170**	**648**	**1,020**	**100.0%**

Figure C. Regular resources posts by appropriation line, 2002-2003

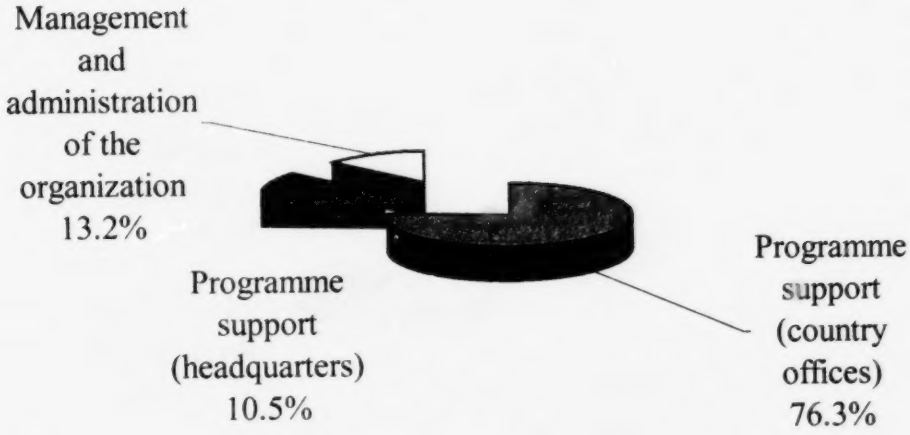

Management and administration of the organization 13.2%
Programme support (headquarters) 10.5%
Programme support (country offices) 76.3%

Figure D. Regular resources posts by category, 2002-2003

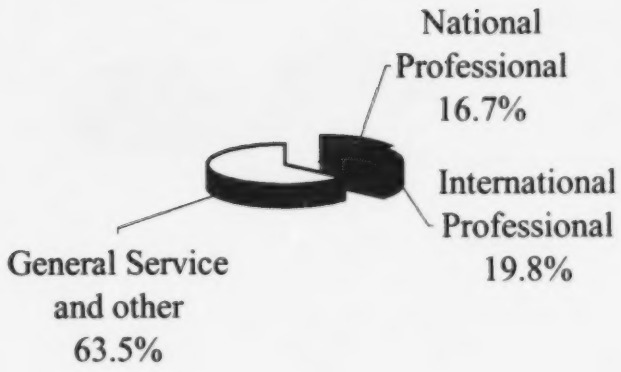
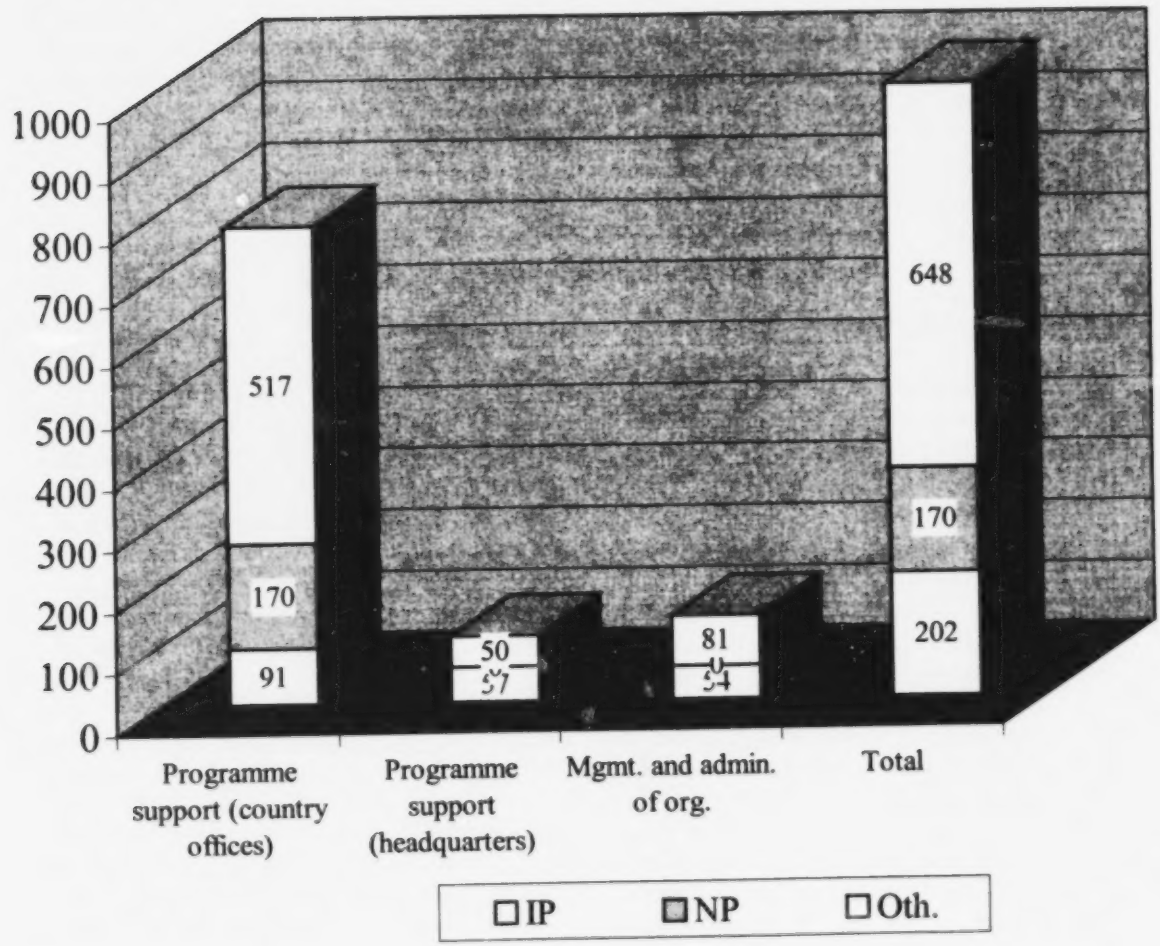


Figure E. Regular resources posts by category and appropriation line



II. PROPOSALS FOR THE 2002-2003 BIENNIAL SUPPORT BUDGET

A. General

1. Staffing

66. The staffing proposals for the 2002-2003 biennium are designed to meet the programme support and administrative needs of the Fund in the coming biennium. As mentioned earlier in the document, the proposal includes the addition of eight new posts and the elimination of six existing posts at headquarters. The proposal also includes the relocation of two internationally recruited posts from headquarters to the field.

67. Based on past experience, vacancy rates of 6 per cent for internationally recruited staff (both at headquarters and in the field) and 2 per cent for locally recruited staff at headquarters and in country offices have been used in the calculation of actual staff costs. To reflect the fact that new posts are not usually filled immediately after their approval by the Executive Board, the cost of the new posts has been estimated based on a 15-month incumbency, taking into account sufficient lead time between approval of the post and appointment of staff.

Headquarters

Realignment of headquarters units

68. In 1999 UNFPA initiated a Workforce Planning Exercise (WFPE) in response to both the thematic and operational changes in UNFPA's approach to global population challenges brought about by the ICPD Programme of Action and the ICPD+5 review and the evolutionary changes that occurred within UNFPA during the 1990s. The purpose of the WFPE was fourfold: (a) to provide a comprehensive assessment of staff roles and responsibilities including workload analysis at headquarters and in field offices (taking into account that many job descriptions had not been updated for many years); (b) to optimize UNFPA's staffing and organizational structures to meet and reflect changes in UNFPA's programme; (c) to allow for a more efficient allocation of human resources in keeping with current and future realities; and (d) to ensure better human resources planning and management.

69. As a result of the extensive consultative process entailed by the WFPE, UNFPA took a number of decisions on the organization's future work programme and distribution of functions. The proposed changes are expected to have a significant impact on how UNFPA will work in the future. The changes in the staffing and organigram at headquarters are summarized in the following paragraphs. Eight new headquarters posts are proposed along with the elimination of six General Service posts, which largely offsets the additional costs involved by the establishment of the new Professional posts as does the redeployment to the field of two Professional posts that are currently at headquarters. As a result, the net number of posts at headquarters remains unchanged.

70. Note that in the following outlines of organizational structure at the division level that the staffing of the four geographical divisions, the Strategic Planning and Coordination Division and

the Technical Support Division are charged to the programme support budget while the costs of the other divisions are charged to management and administration. Also note that references in tables to "added" posts refer both to newly created posts and redeployments from other divisions while "reduced" posts refer to posts that have been abolished and those that have been redeployed to other divisions.

Strategic Planning and Coordination Division

71. The new Strategic Planning and Coordination Division (SPCD) comprises four branches, namely, Strategic Planning, External Relations and Coordination, Results-Based Management, and Knowledge Sharing and reports directly to the Executive Director. The division's primary responsibilities include: managing the programming and resource allocation process in the context of the MYFF and results-based management; inter-agency relations, including with the UNDG and the ACC, and external relations with inter-governmental bodies, conferences, NGOs and other partners; the introduction of results-based management into planning activities; knowledge sharing, i.e., the creative use of information and communication technologies for producing, collecting and storing information and, above all, for sharing knowledge within UNFPA in order to improve the organization's effectiveness.

72. The division is staffed by redeploying 13 Professional posts and 13 support staff posts from other divisions. Some of these posts were subsequently reclassified based on their new job descriptions: two P5 to D1, three P3 to P4, one P5 to P4, two G4 to G5, one G7 to G6, one G3 to G4 and one to G5 and another one to G7.

SPCD	2000-2001 BSB	Added posts	Reduced posts	2002-2003 proposed BSB
Professional posts	NA	13	NA	13
Support posts	NA	13	NA	13
Total	NA	26	NA	26

Technical Support Division

73. The Technical and Policy Division is renamed the Technical Support Division (TSD). It now comprises five branches: Reproductive Health, Population and Development, Gender Issues, Inter-Country Programmes and Technical Field Support Branch, and Advocacy and IEC. TSD focuses on technical activities at headquarters and in technical support of the field and is responsible for coordinating the development, monitoring and evaluation process of the UNFPA intercountry programme. A new emergency operations unit is established within the Technical Field Support Branch. All the units address IEC and advocacy issues while the TAP is managed by the director of the division in collaboration with geographic divisions.

74. The division is staffed by 22 Professional posts, one post fewer than under the previous biennial budget. There are two newly established posts (at the P5 and P4 levels), but there is a net loss of one post because of redeployments to other divisions. These two new Professional posts are for the Commodity Management Unit as described in paragraph 23 above. TSD also comprises 16 support staff, five less than in the previous budget. Some of the posts in TSD were

subsequently reclassified based on their new job descriptions: one P4 to P5, three P5 to P4, two G4 to G5, one G3 to G5, one G6 to G7 and one G7 to G6.

TSD	2000-2001 BSB	Added posts	Reduced posts	2002-2003 proposed BSB
Professional posts	23	5	6	22
Support posts	21	0	5	16
Total	44	5	11	38

Geographic divisions

75. Geographic divisions are reorganized in clusters and are responsible for providing support to country offices on management questions, including personnel and document management, technology and communications support, and other matters essential to the effective management of a country office. For such management matters, country offices will have a single line of communication to the relevant geographic division, and the division will be responsible for coordinating at headquarters to provide the required support to the country office. Geographic divisions will also be the focal point for the transmission to country offices of the results of evaluations and reviews and the lessons learned from them and will work with country offices to incorporate lessons learned into ongoing and future operations in the field.

76. In general, all geographical divisions have lost staff but have seen several of their remaining posts reclassified at a higher level, consistent with their increased strategic role.

77. Africa Division (AD) is staffed with seven Professional posts, four less than in the previous budget. It also comprises six support staff, half as much as in the previous budget. Some of the division's posts were subsequently reclassified, as mentioned above, based on updated job descriptions: one P4 to D1 (as cluster manager and deputy director), one P3 to P4, one G6 to G7 and one G4 to G5.

AD	2000-2001 BSB	Added posts	Reduced posts	2002-2003 proposed BSB
Professional posts	11	0	4	7
Support posts	12	0	6	6
Total	23	0	10	13

78. Asia and the Pacific Division (APD) is staffed with five Professional posts, three fewer than in the previous budget. It also comprises five support staff, four fewer than in the previous budget. Some of the division's posts were also reclassified based on new job descriptions: one P4 to D1 (as cluster manager and deputy director), two G4 to G5, two G5 to G6, and one G6 to G7.

APD	2000-2001 BSB	Added posts	Reduced posts	2002-2003 proposed BSB
Professional posts	8	0	3	5
Support posts	9	0	4	5
Total	17	0	7	10

79. The Division for Arab States and Europe (DASE) is staffed with five Professional posts, one fewer than in the previous budget. It also comprises five support staff, two fewer than in the previous budget. Some of the division's posts were subsequently reclassified based on new job descriptions: one P5 to D1 (as cluster manager and deputy director), one P3 to P4, one G4 to G5 and one G5 to G6.

DASE	2000-2001 BSB	Added posts	Reduced posts	2002-2003 proposed BSB
Professional posts	6	1	2	5
Support posts	7	0	2	5
Total	13	1	4	10

80. Latin America and the Caribbean Division (LACD) is staffed with one fewer Professional post and one fewer support staff than in the previous biennial budget. Some of the division's posts were subsequently reclassified based on new job descriptions: one P5 to D1 (as cluster manager and deputy director), one P3 to P5, one P3 to P4, three G4 to G5 and one G5 to G6.

LACD	2000-2001 BSB	Added posts	Reduced posts	2002-2003 proposed BSB
Professional posts	6	0	1	5
Support posts	6	0	1	5
Total	12	0	2	10

Information, Executive Board and Resource Mobilization Division

81. The Information and External Relations Division (IERD) is renamed the Information, Executive Board and Resource Mobilization Division. It consists of four branches: Executive Board, Media Services, Resource Mobilization and the European Liaison Office. The division is staffed with 16 Professional posts, two more than prior to the realignment. This reflects three newly established posts at the P4 level described below and the deployment of the External Relations Branch and the library function to SPCD. IERD also comprises 14 support staff, one fewer than in the previous budget. Some of IERD's posts were subsequently reclassified based on new job descriptions: four P3 to P4, two P5 to D1 and one P5 to P4; one G6 to G5, two G4 to G5, one G5 to G6 and one G5 to G4 .

82. The three new posts for the division, proposed to support UNFPA's advocacy strategy, are:

83. Audio-visual media officer. Over the years there has been a marked increase in the need for UNFPA audio-visual materials as a means of creating awareness of population issues. These materials include posters, special brochures, videos for use in television programmes, films and other visual media. The proposed P4 post would help maintain liaison with representatives of governments and NGO information services and broadcasting companies to publicize the work of the Fund through visual media. The post would also be responsible for maintaining contacts with private filmmakers, exhibition studios for the production of videos, video news releases and exhibits aimed at increasing understanding of the work of UNFPA.

84. Speechwriter. This P4 post will involve research on prominent population and reproductive health issues and writing and/or editing speeches that are delivered by members of UNFPA's senior management as well as writing articles on relevant topics for a wide variety of publications.

85. Senior editor. The number of documents requested by the Executive Board has increased over the years. In order to meet the requirements of the Executive Board, UNFPA has depended for many years on employing outside consultants to help with writing and editing documents for the Board's attention. Since this is an ongoing function, it will be more effective to establish a post dedicated specifically to that task. The proposed level is P4.

IERD	**2000-2001 BSB**	**Added posts**	**Reduced posts**	**2002-2003 proposed BSB**
Professional posts	14	5	3	16
Support posts	18	0	4	14
Total	32	5	7	30

Division for Management Services

86. DFAMIS (Division for Finance, Administration and Management Information Services), is renamed the Division for Management Services (DMS). It consists of three branches: Finance, MIS, and Procurement and Facilities Management. The financial tasks carried out previously by the geographic divisions are moved to DMS, which requires an increase in staffing as a result. The division is staffed with 19 professional posts, 4 more than in the previous budget. DMS also comprises 45 support staff, 5 more than in the previous budget. Some of the posts in DMS concern reclassifications based on new job descriptions: one P5 to D1, one P3 to P4, three G4 to G6 and one G5 to G6.

87. There is a need to strengthen the MIS Branch of DMS, which arises from its function of addressing the office automation needs of headquarters and country offices. The reliance of the country offices on the MIS Branch in the past few years has increased dramatically. As the Fund depends increasingly on sophisticated information technology, country offices call more and more frequently for technical support from the MIS Branch. Hence, the Executive Director proposes one new post in the MIS Branch as follows:

88. Communications officer. A Professional post at the P3 level is needed to develop a strong, advanced and sustainable communications infrastructure. This will require a full-time staff person for managing, monitoring and maintenance.

89. Under the previous biennial support budget, Finance Branch had only four Professional posts to undertake all financial reporting and control responsibilities for the revenues and expenditures of the Fund. The level and structure of these posts has proved to be insufficient for the proper management and control of Fund resources. The need for additional Professional posts to support the accounting and budget functions would be partially met by redeployment and reclassification. In addition, the 2002-2003 budget proposal reflects the creation of two new Professional posts to strengthen the Finance Branch:

90. Finance officer. There is a need for one additional Professional post (P3) to allow for proper distribution of work, better staff development and succession planning.

91. Systems coordinator. There is a need to better manage the electronic framework that supports the UNFPA financial system. At present, the general ledger system used by UNFPA is the IMIS system in the United Nations. This system presents users with the need to manage the system at the transaction level and the need for extensive intervention when transferring data to UNFPA management reporting systems. Accordingly, it is proposed to establish a new P4 post within Finance Branch to become the systems coordinator for all UNFPA financial systems, including IMIS.

DMS	**2000-2001 BSB**	**Added posts**	**Reduced posts**	**2002-2003 proposed BSB**
Professional posts	15	4	0	19
Support posts	40	6	1	45
Total	55	10	1	64

Other headquarters units

92. To emphasize the importance of good management and the effective use of human and financial resources in UNFPA and to accurately reflect the activities supervised, the Deputy Executive Director, Policy and Administration, is redesignated as the Deputy Executive Director, Management.

93. The Fund's evaluation function is kept in an independent Office of Oversight and Evaluation (OOE), with the same structure and functions, reporting directly to the Executive Director. OOE loses one Professional and one General Service post while two G4 are reclassified to G5 and one P4 to P5.

94. The Office of the Executive Director (OED) loses one Professional post and one General Service post. One D1 post is reclassified to P5 while two G5 posts are reclassified to G6 based on revised terms of reference. The functions of the OED remain the same.

95. The renamed Office of Personnel and Training, the Office of Human Resources (OHR), which incorporates the Personnel and Training Branches, loses one Professional post. One P3 post is upgraded to P4. To date, OHR has reported to the Deputy Executive Director, Management, on training matters and to the Executive Director on personnel matters. This arrangement will be maintained.

Post reclassifications

96. As noted above, new terms of reference were finalized for all Professional and General Service staff at headquarters that were affected by the realignment process. By the beginning of 2001, UNFPA had an up-to-date and complete job description database with which the post review exercise initiated in 1999 was brought to a close.

97. Because substantively changed jobs emerging from the realignment are not "lived in", an overall validation exercise will be conducted during the second half of 2001 in order to fine tune the headquarters realignment with the FNAS. Because of the timing of this exercise vis-à-vis the preparation of the 2002-2003 biennial support budget, any classification adjustments emerging from this review will be submitted to the attention of the Board in September 2002.

98. The upgrading of some 24 posts in the Professional category at UNFPA headquarters reflects the organization's thrust in taking a more strategic role in implementing its mandate, the creation of a better management structure and a more progressively balanced framework for career mobility and development. Similarly, 32 posts for support staff have been classified at a higher level. The more complex work of the support staff, partly as a result of the increased use of information technology, has been recognized. In addition, a team approach is being increasingly used at UNFPA that requires support staff to adapt more flexibly to a wide range of requests, which makes their work more complex.

99. Table 5 provides a summary of posts by appropriation line, organizational unit and category. It reflects the new posts, reclassifications, realignments and reassignments proposed for 2002-2003 as described in the previous paragraphs. Figure E displays the distribution of posts by category and appropriation line.

100. Table III summarizes the staffing proposals by organizational unit and category and shows the source of funding of the posts as well. Nine posts are financed from funds other than regular resources (four Professional and five General Service staff). These posts are all located in the Procurement and Facilities Management Branch of DMS. As mentioned in paragraph 12 above, the direct costs of these posts – $1.0 million – are borne by the fees earned for the provision of procurement services and are, thus, not part of the regular resources budget. The balance of the earnings, in the amount of $1.5 million, is added as income to the regular resource budget to offset the cost carried by other parts of the Fund at headquarters and in the field in support of services provided to third parties.

Country offices

Field needs assessment

101. UNFPA's environment is constantly changing. Its mandate has evolved during the 1990s as a result of the ICPD and ICPD+5 and a series of related global conferences. Its programme countries are seeking innovative and more cost-effective ways to manage population and reproductive health issues. Office environments have also changed, as have the relationships between headquarters and the field.

102. With particular regard to the strengthening of country office operations, UNFPA has streamlined reporting lines at the country level, shifted the programme approval process largely to the field, decentralized operational controls and strengthened technical support. Accountability has also been reinforced in proportion to the increased level of delegation. The field is UNFPA's first and foremost management concern, and this is the spirit behind the realignment process, which will be adjusted as necessary so that headquarters will be able to respond most effectively to programme countries' needs. As mentioned above, a major part of this effort will be a Field Needs Assessment Survey (FNAS), which will be conducted during 2001.

103. The expected outcomes of this exercise are to identify how the capacity of field offices can be improved to optimize results in a variety of operational environments; to identify a typology of current and future technical assistance required by field offices from the TAP, geographical divisions, TSD and other headquarters units for effective quality programme delivery in different national and regional circumstances; and to design logical and justifiable field office structures as opposed to the present – often ad hoc – arrangements.

104. The FNAS will be the reference point for reviewing and validating the realignment of headquarters, and it is also needed to prepare proposals on any realignment of the TAP that will be presented to the Executive Board and for other aspects of the transition.

Summary of new proposed local posts for 2002-2003

105. Since the FNAS was under preparation at the time this document was being finalized, none of the findings of this assessment have been reflected herein. UNFPA will inform the Board of any proposed changes that result from the FNAS in September 2002. With the impact of the FNAS on field office staffing still unknown, the only changes in the field staffing that UNFPA brings to the attention of the Executive Board in the present document are linked to the following urgent requirements, which would all be met through redeployments from headquarters or other country offices:

1. IPO post in Uzbekistan;[5]
2. IPO post in Nepal;[6]
3. IPO post in Mozambique;

[5] To be achieved by redeployment of a P3 post from headquarters.
[6] To be achieved by redeployment of a P3 post from headquarters.

4. IPO post in Jamaica;
5. NPO post in Iraq.

IPO post in Uzbekistan

106. The UNFPA office in Uzbekistan covers three additional countries, Kazakhstan, Tajikistan and Kyrgyzstan. (The programmes in Azerbaijan and Turkmenistan have been administered by the Turkey country office since the end of 2000.) While these countries are defined as countries with economy in transition in terms of UNFPA's resource allocation system, their socio-economic situation is very precarious and impinges on their ability to vigorously address serious needs in terms of reproductive health. The four countries have recently recorded an increase in the incidence of STDs, including HIV/AIDS, especially among young people. Insufficient contraceptive supplies and the limited outreach of quality reproductive health information and services also fall within the area of critical needs that require urgent attention.

107. The post of Deputy Representative in the Uzbekistan country office is needed to provide critical support to the UNFPA Representative for these countries. Such a post would be particularly valuable in improving the country office's ability to work closely with national counterparts. The additional post would enhance programme implementation and would improve the management of the UNFPA programme. It would also help strengthen coordination with other members of the United Nations system in the four countries.

IPO post in Nepal

108. Nepal is classified as an "A" country under UNFPA's resource allocation system, and its programme is one of the largest and most complex in the region, with a large multi-bilateral component. The Nepal programme addresses all three of UNFPA's core programme areas. Furthermore, UNFPA is one of the major contraceptive suppliers in the country. The country office is also collaborating closely with such government agencies as the Ministry of Health in strengthening national capacity. All of these demands require the appointment of a Deputy Representative in the Nepal country office.

IPO post in Mozambique

109. Mozambique is attracting a great deal of donor interest, which translates into increased multi-bilateral funding. The field office, with only two NPOs, has difficulty in coping with the increased workload needed to administer the enlarged programme, hence the need to establish an IPO post in the Mozambique country office. The post would be created by redeploying an IPO post from Senegal. The latter was created at a time when the UNFPA office in Dakar covered a number of West African countries to which no Representative was assigned. With the establishment of Representative posts in such countries, the need for an IPO in Senegal no longer exists.

IPO post in Jamaica

110. The Jamaica country office covers all of the countries of the English- and Dutch-speaking Caribbean. The large number of countries included in UNFPA's subregional programme requires a large amount of travel on the part of the Representative to manage the programme, which is especially focused on improving adolescent reproductive health in countries as far removed from Jamaica as Suriname and Guyana. In order to assist the Representative to manage this workload, there is need for an IPO post in the Jamaica country office. The post would be staffed by redeploying an IPO post from the Haiti country office; in return, an NPO post would be redeployed from Jamaica to Haiti.

NPO post in Iraq

111. Due to the deterioration of health conditions in Iraq, UNFPA is providing support to the country in the area of reproductive health. To manage this support, the Fund is requesting the establishment of a support office in Iraq. The only staff to be charged to the budget would be a NPO post that would be redeployed from the UNFPA field office in Albania.

2. Internal audit

112. In the 2000-2001 biennium, the Fund was unable to implement in full the planned expansion of the Audit Section due chiefly to resource constraints. It is expected, however, that the section will operate at full capacity by late 2001. It is the Fund's intention to continue to monitor and assess the need for further strengthening of its internal audit capacity, recognizing that an adequately resourced audit section is an essential component of its accountability system and of good management practice. One proposal that is being considered is for the Fund to integrate the UNFPA Audit Section, which is currently part of UNDP's Office of Audit and Performance Review, into its own organizational structure. Such a possibility was foreseen by the Governing Council in decision 91/36, which states in part: "that specific proposals for the transfer of the [audit] function to UNFPA be developed in close consultation with the Board of External Auditors and ACABQ and be submitted to the Governing Council in due course, this arrangement being subject to normal cost reimbursement arrangements with UNDP" (para. 13).

113. The OOE, in discharging its role of assessing organizational performance, undertakes every year several policy application reviews of UNFPA's operations in selected countries. These reviews, undertaken by senior officers, examine in depth the process of programme development and implementation in order to ascertain that appropriate mechanisms to ensure accountability are in place and are being used by UNFPA staff. Besides the policy application reviews, the OOE also conducts on-site reviews of the actions taken by country offices to follow up on the recommendations of internal audits. An amount of $100,000 a year is provided in the support budget to cover the costs of these review missions.

3. Common premises in programme countries

114. In the area of common services and premises, the Fund is a full and active member of the UNDG Sub-Group on Common Premises and Services (SGCPS) of the Management Group. With regard to progress to date, the Secretary-General has formally designated UN Houses in 44 countries, and there are a number of potential countries where relocation to new premises matching the UN House definition is scheduled to take place in the near future. Current targets call for five new UN Houses to be added annually.

115. In this respect, in addition to retaining $1.0 million to cover potential liability to UNDP for previous construction projects, a further $2.0 million is required to cover anticipated "hard costs" that will be incurred in the form of renovation and installation expenses for the new common premises and UN Houses and "soft costs" of technical consultancies and UNDG missions associated with the UN House programme for the next biennium. In order to continue to participate in the UN House programme, UNFPA will continue to use, as in the past, the reserve for field accommodation (RFA), in line with paragraph 5 of Executive Board decision 99/21. The reserve currently[7] stands at $3.8 million, hence no provision is being made in the proposed biennial support budget for the 2002-2003 biennium.

116. UNDP has recently implemented a policy of full cost recovery for the services that it provides to other United Nations agencies. UNFPA anticipates that this would at least double such costs over the period of the 2002-2003 biennial support budget. In addition, the United Nations system as a whole is anticipating that the costs of providing staff security will escalate sharply in coming years. A total of $1.1 million has been included in the proposed biennial support budget to cover these expenses.

117. The cost of structures in the field could be significantly reduced by the institution of a UNFPA-specific government local operating cost (GLOC) agreement. At present, the GLOC is an agreement between a government and UNDP under which the government undertakes to fund part of the operating costs of the UNDP country office. UNFPA management is considering the option of formulating a GLOC agreement of its own based on the design of the UNDP agreement.

4. Rental of New York premises

118. UNFPA secured a 10-year extension of its headquarters office lease effective from 1 January 2001. This lease was secured at an average rate of $41.84 per square foot of rentable space while the actual rate payable for the first two years (i.e., 2001-2002) is $36.00 per square foot. This represents a substantial increase above the rent paid in 2000 under the old lease, which was approximately $20.00 per square foot. This increase is entirely attributable to the escalation of rents in the New York real estate market.

119. Due to the need to accommodate additional project staff, UNFPA secured an additional 5,000 square feet of office space within the new lease, bringing total office space to 90,700

[7] As of the end of the first quarter, 2001.

rentable square feet. This equates to a floor space increase of just over 5 per cent. Given the continued increase in the number of projects managed by UNFPA headquarters due to the increase in multi-bilateral funding, the need to accommodate JPOs and the UNFPA audit section that currently resides at UNDP, the 2002-2003 budget includes a figure of $360,000 a year to lease approximately 10,000 square feet of additional office space in the vicinity of the current headquarters. The combined impact of the sharply increased real estate market rate and the increased space requirements effectively increases the cost of headquarters rent for 2002-2003 by 50 per cent over the current biennium.

120. UNFPA will also rent on a short-term basis additional office space within a building located in the vicinity of the current headquarters premises. This space will serve the purpose of "swing space" to accommodate staff during the renovation work currently under way. (This renovation is partly covered under the 2000-2001 budget and partly under the proposed 2002-2003 budget.) This lease will be effective for 12 months starting in June 2001; hence, it will only impact the 2002-2003 biennial budget for a period of six months.

5. Reimbursement to the United Nations

121. The biennial budget proposal includes an estimate for the reimbursement payable to the United Nations for services received by UNFPA. The estimate is still based on the provisional results of the negotiations that UNFPA, UNDP and UNICEF have been holding with the United Nations. The rates and basis of reimbursement are still under discussion with the United Nations and the final results of the negotiations cannot be presented. The estimated increase vis-à-vis 2000-2001 is approximately $700,000.

6. Staff training and development

122. The total proposed training budget for the 2002-2003 biennium amounts to $2.8 million, a 12 per cent increase over the appropriation of $2.5 million for the current biennium. Of this amount, 79 per cent or $2.2 million, will be used for the training of field staff (10 per cent increase). Twenty-one per cent, or $600,000, will be used for the training of headquarters staff.

123. The proposed training budget will support a coherent set of training and learning activities to enhance the operational, substantive and managerial competencies of staff members, both at headquarters and in the country offices, to achieve the following:

(a) In line with UNFPA's adoption of the multi-year funding framework (MYFF) for 2000-2003, strengthen the capacity of country offices and headquarters to adopt a results-based approach to programme and organizational management and to deliver and support high-quality, results-oriented programmes that respond effectively to the needs and priorities of Governments;

(b) Increase and enhance substantive knowledge in the Fund's three core programme areas -- reproductive health, population and development strategies, and advocacy -- as well as in related areas such as reproductive health commodity security, adolescent reproductive health, HIV/AIDS, emergency response, sector-wide approaches and other relevant or emerging issues;

(c) Enhance the managerial and leadership skills of staff, particularly UNFPA Representatives, Deputy Representatives and middle-level professional staff, both at headquarters and in the field, to make them more effective at their jobs by improving their programme and office management skills; and to enhance the ability of junior-level professional staff to assume greater managerial responsibilities; and

(d) Create an infrastructure for self-learning and self-improvement within the organization to promote staff development and to strengthen the Fund's institutional capacity to deliver its mandate.

124. In country offices, funds will be used to conduct workshops for country office teams at the regional and subregional levels, with an emphasis on skills training in adopting results-based approaches and tools for effective programme and office management. These workshops will also provide forums for the exchange of information, experiences and best practices. Accordingly, the budget will support the following activities:

(a) Skills training in the adoption of results-based approaches to programme design, implementation, monitoring and evaluation, with a focus on strengthening the ability of country offices to manage for results;

(b) Skills training in management, leadership, team building and communication to enable staff to reach their potential as well as to meet the needs and priorities of the organization;

(c) Skills training in advocacy and resource mobilization to promote the work of the Fund and increase its visibility, with the aim of increasing regular and other resources;

(d) Improving skills in the application of financial rules and procedures, coding systems, financial monitoring and the recording of programme expenditures;

(e) Keeping staff abreast of recent trends and developments in the Fund's core programme areas, the programming process, results-based management and other relevant issues;

(f) Orientation workshops for new programme staff and Junior Professional Officers on UNFPA's mandate, policies, procedures and the programming process;

(g) Familiarization with best practices in managing country programmes through field office attachment and exchange programmes for both international and national country office staff;

(h) Facilitating self-learning and self-improvement through the provision of on-line training courses and computer-based training modules, as well as through the provision of information on distance-learning facilities, courses, networks and other resources; and

(i) Undertaking collaborative training with inter-agency partners on the CCA and UNDAF, monitoring and evaluation, joint programming and other training initiatives to strengthen the Resident Coordinator system and the process of United Nations reform.

7. Office automation

MIS strategy

125. The focus of the realignment process and the subsequent transition measures adopted after the change in leadership of the Fund are geared towards strengthening the capacity of the country offices to deliver their programs more effectively and efficiently. The introduction of results-based management (RBM) and fostering a culture of knowledge sharing are tools in that direction. UNFPA has realized that the implementation of RBM and knowledge sharing in the Fund requires an advanced information technology infrastructure introduced both at headquarters and at the country level. This would encourage the use of Internet-based technology for sharing knowledge widely within UNFPA and the population community. UNFPA is proposing to strengthen this area during the 2002-2003 biennium in the following manner.

Integrated Management Information Systems (IMIS)

126. Although IMIS has been implemented in UNFPA since 1998 and its Release 3 (finance) module since early 1999, the full cost implications are still not very clear. In the 2000-2001 biennium UNFPA commissioned the development and/or usage of new data bridges to IMIS. In addition to the operational costs of IMIS, some developmental costs may also be involved, all of which will need to be met from the proposed biennial support budget.

Resource Management System (RMS)

127. As long as UNDP utilizes IMIS, it will continue to be *de facto* the official financial system of UNFPA. However, under its current UNDP implementation modality, IMIS does not fully meet the requirements of the Fund. The system cannot, in its present form be installed in UNFPA field offices nor is there a proven way to access it securely and reliably through remote dial-up or over the Internet. In addition, IMIS is not designed to accommodate programme monitoring, programme management and results-based programming questions.

128. Therefore, as mentioned in its earlier submission to the Executive Board, UNFPA has decided to develop a new Resource Management System (RMS) that will meet the needs of the country offices and headquarters in programme monitoring and management as well as for the Fund's results-based management requirements. The system will automate many of the operational activities currently being carried out manually in the country offices.

129. The Executive Board agreed to UNFPA's development of the RMS and specified that in the absence of supplementary funds becoming available for that purpose, biennial support budget resources should be utilized. UNFPA has made effort to solicit funds for this purpose but has failed to obtain the total required amounts. The Government of the United Kingdom has, however, kindly agreed that UNFPA can use $240,629 of its trust fund for this purpose.

130. The estimated overall cost of the RMS is $5.5 million. During the 2002-2003 biennium the Fund will need $3.2 million for RMS implementation. The planned completion time is 3.5 years. Due to various reasons the implementation of the project could not begin during 2000, but UNFPA has begun its development during 2001.

Increased connectivity

131. Connectivity and communications are key factors for fostering knowledge sharing and integrated global access to data information. The Executive Director has set a target to connect all UNFPA country offices and headquarters by the end of the next biennium. Specifically, the Executive Director has decided to ensure that 40 of the Fund's offices in category "A" countries have improved connectivity by the end of 2002. It is planned that an additional 18 offices will be upgraded by 2003.

132. UNFPA will utilize, wherever possible, either existing or proposed UNDP Very Small Aperture Terminal (VSAT) satellite connections or SITA connection options. All proposed connections will be at least 64 kilobytes and will provide, in addition to e-mail and Internet connection, application connectivity, data synchronization, an environment for virtual discussion and collaboration forums and easy access to repositories of data and information.

133. It has been decided that $505,000 of the total start-up costs will be absorbed during 2001, and a balance of $190,000 has been budgeted for the 2002-2003 biennium. The recurrent costs of the service will amount to $791,000 in 2002 and to $1,014,612 in 2003.

Office automation

134. The overall MIS budget for 2002-2003 (recurrent costs) reflects a reduction compared to the previous year, excluding posts. This has been made possible mainly by introduction of full standardization and implementation of a policy on replacement of computer hardware and software. This reduction is significant when noted with the fact that the costs of computerization and related services have increased.

135. During 2000-2001, UNFPA replaced its old DOS-based, single user version of the UNFPA integrated field office system (UNIFOS) in the country offices with a Windows-based multi-user version of WinPRMS and WinUNIFOS. It also initiated action to: integrate UNIFOS functions into WinPRMS; develop an income and contribution module; develop modules for identifying sources of supplementary funding; and add an automatic data synchronization module. In the next biennium, UNFPA will further refine the WinPRMS with new reports.

136. While the Office automation suite of the Fund will remain unchanged, UNFPA will migrate to the newest version of the Windows operating system, such as Windows 2000, Microsoft Office 2000 or a later version. UNFPA's license to use Netscape expires in 2001. At this time UNFPA has not decided what e-mail platform will replace its Netscape platform, if any.

8. Information and communication strategy

137. UNFPA's information and communication strategy at the international level is designed to support national-level advocacy activities towards achieving the goals of ICPD, in both programme and donor countries. UNFPA employs appropriate media, including the Internet, low-cost video, and other applications as well as traditional media and personal contacts. UNFPA is putting more emphasis on Internet-based applications, while seeking synergies among all media, and recognizing the continuing need for the use of print media since many of its audiences do not have ready access to the Internet. The Fund places great importance on building partnerships with NGOs and parliamentarians. UNFPA's Goodwill Ambassadors' programme has demonstrated the power of personal appearances and commitment by well-known personalities.

138. UNFPA's information and communication strategy, as part of its overall role in advocacy, is to ensure that the principles, goals and objectives of ICPD are understood and accepted; to secure commitment and funding for meeting these objectives; and to build support for UNFPA's programme and resource-development activities. The publications programme and UNFPA's Internet presence are key elements in this strategy. Details on these activities will be found in document DP/FPA/1997/8, entitled "UNFPA Information and Communication Strategy" and in a report on the implementation of the strategy presented in document DP/FPA/2001/6.

Publications

139. In line with this strategy, UNFPA proposes a budget for printed publications totaling $2.0 million over the next biennium, the same as in the previous biennium. The challenge for the coming biennium will be to meet growing demands for UNFPA publications with the same allocation of funds.

140. In line with decision 91/36 concerning the rationale for funding publications as part of the biennial support budget, the Information and External Relations Division produces a brochure on UNFPA (in two versions); an annual report on UNFPA activities; POPULI, a journal of news items, feature articles, viewpoints and resource information; *Dispatches*, a monthly newsletter on UNFPA-related policy and programme developments; and the *Population Issues Briefing Kit*, a primer released each year in conjunction with World Population Day. In addition, the Fund is continuing its series of advocacy booklets produced by the Division on various topics related to the UNFPA information mandate. Recent titles include: "Partners for Change: Enlisting Men in HIV/AIDS Prevention"; "Women's Empowerment and Reproductive Health: Links Throughout the Life Cycle"; "Working to Empower Women: UNFPA's Experience in Implementing the Beijing Platform for Action"; and "Violence Against Girls and Women: A Public Health Priority". All publications are produced in English, French and Spanish, and increasingly in Arabic.

Table 5. Proposed net changes in regular resource post requirements 2002-2003

Organizational Unit	2001	International professional category & above									GS and Other Categ.	Grand Total	2002-2003
		ASG	D-2	D-1	P-5	P-4	P-3	P2/1	Total	Nat.Prof			
2000-2001 APPROVED POSTS		3	8	26	95	33	29	0	[illegible]	170	654	[illegible]	
I. POST INCREASES/DECREASES													
A. Programme support													
1. Country offices Total (net) - A.1	776	0	0	0	0	0	2	0	[illegible]	0	0	[illegible]	778
2. Headquarters													
AD	23					(1)	(3)		[illegible]		(6)	[illegible]	13
DASE	13				1	(1)	(1)		[illegible]		(2)	[illegible]	10
APD	17				(1)		(2)		[illegible]		(4)	[illegible]	10
LACD	12						(1)		[illegible]		(1)	[illegible]	10
SPCD	0		1		6	1	5		[illegible]		13	[illegible]	26
TSD	44				(3)	2	0		[illegible]		(5)	[illegible]	38
Total (net) - A.2	**109**	**0**	**1**	**0**	**3**	**1**	**(2)**	**0**	[illegible]	**0**	**(5)**	[illegible]	**107**
Total (net) - A	**885**	**0**	**1**	**0**	**3**	**1**	**0**	**0**	[illegible]	**0**	**(5)**	[illegible]	**885**
B. Management and admin. of organ.													
OED	17		(1)						[illegible]		(1)	[illegible]	15
OOE	10				(1)				[illegible]		(1)	[illegible]	8
DMS	55					1	3		[illegible]		5	[illegible]	64
IERD	32				(1)	3	0		[illegible]		(4)	[illegible]	30
OHR	19						(1)		[illegible]			[illegible]	18
Total (net) - B	**133**	**0**	**(1)**	**0**	**(2)**	**4**	**2**	**0**	[illegible]	**0**	**(1)**	[illegible]	**135**
Total: Post increases/decreases (net)	**1,018**	**0**	**0**	**0**	**1**	**5**	**2**	**0**	[illegible]	**0**	**(6)**	[illegible]	**1,020**
II. POST RECLASSIFICATIONS													
A. Programme support													
Headquarters				6	(6)	7	(7)		[illegible]		23	[illegible]	
Country Offices									[illegible]			[illegible]	
Total (net)	**0**	**0**	**0**	**6**	**(6)**	**7**	**(7)**	**0**	[illegible]	**0**	**23**	[illegible]	**0**
B. Management and admin. of organ.									[illegible]			[illegible]	
OED				(1)	1				[illegible]		2	[illegible]	
OOE					1	(1)			[illegible]		2	[illegible]	
OHR				0		1	(1)		[illegible]			[illegible]	
DMS				1	(1)	1	(1)		[illegible]		4	[illegible]	
IERD				2	(3)	5	(4)		[illegible]		5	[illegible]	
Total (net) - B		**0**	**0**	**2**	**(2)**	**6**	**(6)**	**0**	[illegible]	**0**	**13**	[illegible]	
Total: Post classification (net)		**0**	**0**	**8**	**(8)**	**13**	**(13)**	**0**	[illegible]	**0**	**36**	[illegible]	
Total Changes (net)	**1,018**	**0**	**0**	**8**	**(7)**	**18**	**(11)**	**0**	[illegible]			[illegible]	
2002-2003 PROPOSED POSTS		**3**	**8**	**34**	**88**	**51**	**18**	**0**	[illegible]	**170**	**648**	[illegible]	

Table 6. Estimated distribution of information technology requirements, 2002-2003
(Thousands of United States dollars)

Purpose	Staff Cost	Contractual Services: Systems development contracts	Contractual Services: Maintenance / Service Contracts	Contractual Services: Hardware/ Software/ Supplies	Other	Total
RECURRENT MAINTENANCE						
2000-2001	1,881.0	614.2	818.0	1,581.7	339.6	5,234.5
2002-2003	2,316.7	632.4	598.9	1,752.4	702.4	6,002.7
DEVELOPMENT OF MAJOR SYSTEMS						
RMS						
2000-2001	0.0	0.0	0.0	0.0	0.0	0.0
2002-2003	0.0	2,635.0	0.0	26.2	531.2	3,192.4
Connectivity						
2000-2001	0.0	0.0	0.0	0.0	0.0	0.0
2002-2003	0.0	0.0	906.4	190.0	0.0	1,096.4
Subtotal: Development of major systems						
2000-2001	0.0	0.0	0.0	0.0	0.0	0.0
2002-2003	0.0	2,635.0	906.4	216.2	531.2	4,288.8
GRAND TOTAL						
2000-2001	1,881.0	614.2	818.0	1,581.7	339.6	5,234.5
2002-2003	2,316.7	3,267.4	1,505.3	1,968.6	1,233.6	10,291.5

Table 7. Use of resources: Estimated regional distribution of Programmes and Programme Support

(Thousands of United States dollars)

	2000-2001						2002-2003					
	Regular resources Amount	%	Other resources Amount	%	Total resources Amount	%	Regular resources Amount	%	Other resources Amount	%	Total resources Amount	%
AFRICA												
A. Programmes	148,465.4		23,015.6		171,481.0		128,025.1		38,690.0		166,715.1	
B. Programme support												
Country offices	28,367.2				28,367.2		31,018.7				31,018.7	
Africa Division	4,655.9				4,655.9		3,965.6				3,965.6	
Subtotal - Prog. support	33,023.1		0.0		33,023.1		34,984.3		0.0		34,984.3	
Total Africa	181,488.5	29.6%	23,015.6	31.7%	204,504.1	29.9%	163,009.4	28.5%	38,690.0	31.6%	201,699.4	29.0%
ARAB STATES AND EUROPE												
A. Programmes	45,997.0		7,130.6		53,127.6		44,580.4		13,472.5		58,052.9	
B. Programme support												
Country offices	10,234.1				10,234.1		13,396.3				13,396.3	
Div. for Arab States/Europe	2,880.7				2,880.7		3,071.8				3,071.8	
Subtotal - Prog. support	13,114.8		0.0		13,114.8		16,468.1		0.0		16,468.1	
Total Arab States and Europe	59,111.8	9.6%	7,130.6	9.8%	66,242.4	9.7%	61,048.5	10.7%	13,472.5	11.0%	74,521.0	10.7%
ASIA AND THE PACIFIC												
A. Programmes	146,643.8		22,733.2		169,377.0		126,152.5		38,124.1		164,276.6	
B. Programme support												
Country offices	13,913.3				13,913.3		14,389.6				14,389.6	
Asia and the Pacific Division	3,410.8				3,410.8		3,019.3				3,019.3	
Subtotal - Prog. support	17,324.1		0.0		17,324.1		17,408.9		0.0		17,408.9	
Total Asia and the Pacific	163,967.9	26.8%	22,733.2	31.3%	186,701.1	27.2%	143,561.4	25.1%	38,124.1	31.1%	181,685.5	26.2%
LATIN AMERICA & CARIBBEAN												
A. Programmes	40,076.6		6,212.8		46,289.4		29,764.1		8,994.9		38,759.0	
B. Programme support												
Country offices	11,612.9				11,612.9		12,627.1				12,627.1	
Latin America & the Carib. Div.	2,630.1				2,630.1		3,106.6				3,106.6	
Subtotal - Prog. support	14,243.0		0.0		14,243.0		15,733.7		0.0		15,733.7	
Total Latin America & Caribbean Division	54,319.6	8.9%	6,212.8	8.5%	60,532.4	8.8%	45,497.8	8.0%	8,994.9	7.3%	54,492.7	7.8%
INTERCOUNTRY												
A. Programmes	74,232.7		11,507.8		85,740.5		64,917.5		19,618.5		84,536.0	
B. Programme support												
Technical Support Div.	10,159.6				10,159.6		11,609.0				11,609.0	
Strategic Planning Coordination Division							7,943.4				7,943.4	
Subtotal - Prog. support	84,392.4		0.0		95,900.2		84,470.0		0.0		104,088.5	
Total Intercountry	84,392.4	13.8%	11,507.8	15.8%	95,900.2	14.0%	84,470.0	14.8%	19,618.5	16.0%	104,088.5	15.0%
TOTAL UNFPA												
A. Programmes	456,415.4		70,600.0		526,015.4		393,439.6		118,900.0		512,339.6	
B. Programme support												
Country offices	64,127.6		0.0		64,127.6		71,431.7		0.0		71,431.7	
Headquarters support	23,737.2		0.0		23,737.2		32,715.8		0.0		32,715.8	
Subtotal - UNFPA Prog.sup.	87,864.7		0.0		87,864.7		104,147.5		0.0		104,147.5	
Subtotal - UNFPA Prog. & Prog. sup.	543,280.1	88.7%	70,600.0	97.1%	613,880.1	89.6%	497,587.1	87.0%	118,900.0	97.1%	616,487.1	88.8%
Agency support	30,000.0	4.9%	2,100.0	2.9%	32,100.0	4.7%	32,000.0	5.6%	3,600.0	2.9%	35,600.0	5.1%
Total Programmes & Prog.support	573,280.1	93.6%	72,700.0	100.0%	645,980.1	94.2%	529,587.1	92.6%	122,500.0	100.0%	652,087.1	93.9%
C. Management & admin. of org.	39,519.9	6.4%	0.0	0.0%	39,519.9	5.8%	42,312.9	7.4%	0.0	0.0%	42,312.9	6.1%
TOTAL - UNFPA	612,800.0	100.0%	72,700.0	100.0%	685,500.0	100.0%	571,900.0	100.0%	122,500.0	100.0%	694,400.0	100.0%

/...

B. Programme support

141. Programme support is the largest component in UNFPA's budget proposal. It is composed of two appropriation lines – programme support (headquarters) and programme support (country offices). As can be seen from table 3 and figure B, together they account for 71.7 per cent of the total proposed budget (headquarters, 22.3 per cent; country offices, 48.8 per cent).

142. Table 7 shows the regional distribution of regular programme funds. Consistent with Executive Board decision 2000/19 on the allocation of UNFPA resources, the table confirms Africa as the region receiving the largest share of regular programme funds. With $163.0 million, this region will continue to receive the largest amount of UNFPA programme funds, followed closely by Asia and the Pacific with $143.6 million.

143. With regards to programme support funds, Africa will also receive the largest amount of resources consistent with the large number of country offices in the region.

144. Combining regular programme funds and programme support funds, Africa will receive $201.7 million, or 29.0 per cent of total UNFPA 2002-2003 funds, while Asia and the Pacific will receive $181.7 million, or 26.2 per cent. Corresponding amounts for the Arab States and Europe region and the Latin America and Caribbean region are estimated to be $74.5 million (or 10.7 per cent) and $54.5 million (or 7.8 per cent), respectively. The increase for the Arab States and Europe region compared to 2000-2001 is due to the transfer to this division of resources for Kyrgyzstan, Azerbaijan, Tajikistan, Turkmenistan and Kazakhstan (the "KATTUK" countries).

145. Intercountry funds and agency programme support make up 15.0 per cent and 5.1 per cent, respectively. This results in a total of $652.1 million, or 93.9 per cent for regular programme and programme support for 2002-2003, as compared to 94.2 per cent in 2000-2001. The regular resources applied for management and administration of the organization increased as compared to the previous biennium: 5.8 per cent (or $39.5 million) in 2000-2001 to 6.1 per cent (or $42.3 million) in 2002-2003.

1. Country offices

146. The proposed appropriation for country offices, in the amount of $82.1 million (gross), shows a net increase of $6.9 million (or 9.1 per cent) compared to the 2000-2001 biennium. As shown in table I, the net cost adjustment in the field accounts for most of the total increase (80.8 per cent). This indicates that increases in operational expenses (field offices' share of both the RMS and connectivity projects) and the addition of two new IPOs account for less than the increase in costs, i.e., such mandatory increases as step adjustments, revisions to salary scales, inflation, etc. The amount for country offices represents 48.8 per cent of the total gross appropriation.

147. Table I also provides a comparison of appropriations for the 2000-2001 and 2002-2003 bienniums, broken down by organizational unit. Under "Programme support, country offices" the table breaks down the estimates by region.

148. All regions have positive adjustments both in cost and volume. The highest percentage increase is for the Arab States and Europe, which now includes the KATTUK countries (whose programmes were previously managed by the Asia and Pacific Division), as indicated earlier.

149. Table II analyses the objects of expenditure by appropriation line. An explanation of the most significant variations follows.

150. Posts. The largest component of the budget is for staff costs. The proposed appropriation for country offices in the 2002-2003 biennium is $60.3 million (73.5 per cent of the total proposed gross appropriation for country offices). Of the 1,020 proposed posts, 778 (76.3 per cent) will be located in country offices as illustrated in table 4. Cost increases for staff are estimated at $3.8 million and reflect statutory increases and inflation factors. Volume increases in the amount of $900,000 are mostly explained with the relocation of two Professional posts from headquarters to the field (IPOs). Staff training and development in the field, which is included under "posts", is estimated at $2.2 million, which represents a 10.0 per cent increase compared to the 2000-2001 appropriation and is reflected in both volume and cost increases for this appropriation line. It is expected that a vacancy rate of internationally recruited staff of 6 per cent and local staff of 2 per cent, as was the case for the 2000-2001 biennium, will be maintained.

151. Other staff costs. The proposed budget for temporary assistance and overtime for country offices in 2002-2003 is proposed to be reduced by 5.3 per cent.

152. Travel. The estimated cost of official travel in the country offices is $2.1 million, the same amount as in 2001-2002 since it is anticipated that increases in cost will be largely offset by a decrease in volume. Such a decrease in volume is the result of economies taken to reduce administrative travel costs through efforts to shorten and decrease the number of individual trips by combining visits to multiple countries on a single trip, and of technology improvements that have allowed for better communications among field offices and with headquarters.

153. Operating expenses. The proposed estimate for operating expenses in country offices is $16.9 million. This amount reflects a volume increase of $2.5 million mostly related to the implementation in the field of RMS ($3.0 million), the connectivity project ($1.1 million) and other systems development. The budget includes estimates pertaining to UNDP reimbursement in the field amounting to $1.1 million, which is a result of cost increases of approximately $800,000 compared to the previous biennium.

154. Furniture and equipment. The proposed estimate for furniture and equipment is $1.8 million, half the amount appropriated for the last biennium, reflecting a volume decrease of $1.9 million largely due to prudent management of equipment replacement (mostly transportation equipment) in the field.

2. Headquarters

155. The programme support at headquarters includes the costs for the four geographical divisions, the Technical Support Division and the newly established Strategic Planning and Coordination Division (SPCD).

156. As described earlier, UNFPA headquarters went through a realignment process that involved the reclassification of a number of Professional and General Service posts. Table I analyses the objects of expenditure by organizational unit. Table II analyses the objects of expenditure by appropriation line. Below is an explanation by object of expenditure of the most important items:

157. Posts. Total staff costs are projected at $25.4 million. The budget includes the estimated salary and common staff costs to sustain the realigned structure of the organization. Of the eight additional posts proposed at headquarters, two are under programme support (in the Technical Support Division). The establishment of the Strategic Planning and Coordination Division is also reflected under the post volume increase (26 posts, of which 9 were contributed from management and administration) that totals $1.2 million. This increase is in part offset by the abolition of five General Service staff and the transfer of two Professional posts from the Africa Division to the field. The cost increase of $1.7 million is a net figure, which results from mandatory increases. The estimates incorporate, as explained in paragraph 150, a projected vacancy rate of 6 per cent for internationally recruited staff and 2 per cent for support staff.

158. Other staff costs. Additional staff costs for programme support at headquarters are increased by $19,800. However, it should be noted that, overall, additional staff costs at headquarters will decrease by $71,700.

159. Consultants. The proposed appropriation for consultants for programme support at headquarters is $237,000, a 19.6 per cent increase compared to 2000-2001. The volume increase of $26,700 can be attributed to start-up costs of the Strategic Planning and Coordination Division It should be noted that when consultancies for programme support and for management and administration of the organization at headquarters are added, there is a net volume decrease of $167,400 for consultancies, consistent with the continuation of the positive trend in cost reductions established in the context of the 2000-2001 budget.

160. Travel. The estimated appropriation for official travel is $464,000. A slight increase in travel costs is more than offset by reductions in volume. The decrease results from measures implemented to reduce travel costs of headquarters staff. It must be noted that when travel for programme support at headquarters and for management and administration of the organization are added, the net volume decrease is $171,000.

161. Operating expenses are projected at $6.5 million. There is a volume increase of $631,000, which largely reflects increased rental space, and a cost increase of $1.8 million, reflecting the full impact of the increase in the New York premises lease. It should be noted that this increase is apportioned among all organizational units at headquarters.

162. Furniture and equipment. The proposed appropriation for furniture and equipment is $427,000. This represents an increase of 23.4 per cent compared to the 2000-2001 biennium, due to the purchase of new furniture occasioned by the increase in office space.

163. Reimbursements. This expenditure category includes reimbursements to the United Nations, jointly financed bodies, external audit and UNDP, for services rendered on behalf of UNFPA. The cost of reimbursements is apportioned among all organizational units at headquarters under both programme support and management and administration of the organization consistent with budget harmonization requirements. In the previous biennium, the appropriation for reimbursement was $8.7 million, all included under management and administration of the organization, which rendered a biased image of distribution of charges among the two headquarters components of the budget. For 2002-2003, the total for reimbursement ($9.5 million) is split between programme support (at headquarters), $4.3 million, and management and administration, $5.2 million. The addition of the volume and cost components for both management and administration and programme support (at headquarters) shows that the impact of reimbursement on headquarters is mostly the result of cost, not volume, increases.

C. Management and administration of the organization

164. The management and administration appropriation line comprises the remaining headquarters units, i.e., the Office of the Executive Director; the Office of Oversight and Evaluation; the Information, Executive Board and Resource Mobilization Division; the Office of Human Resources; and the Division for Management Services.

165. An overall decrease in volume by $1.8 million is largely due to the reapportionment of United Nations and UNDP reimbursements to all headquarters units mentioned earlier. On the cost side, the increase by $4.1 million in the Division for Management Services is due to the increase in rent and other mandatory costs. Table II analyses the objects of expenditure by appropriation line.

166. Posts. Total staff costs are projected at $31.0 million. The budget includes the estimated salary and common staff costs to sustain the existing structure of the organization plus six new headquarters posts: three in IERD and three in DMS. The volume increase is in part offset by the posts that management and administration contributed to the establishment of SPCD and in part by the abolition of two general support staff posts. The cost increase of $1.7 million is mostly composed of mandatory cost increases.

167. Consultants. The proposed appropriation for consultants is $289,000, reflecting a volume decrease of $194,000, largely attributable to cost-cutting measures. As mentioned under programme support above, it must be noted that consolidating the consultancies for programme support at headquarters and for management and administration of the organization the appropriations line for consultants shows a net volume decrease of $167,400.

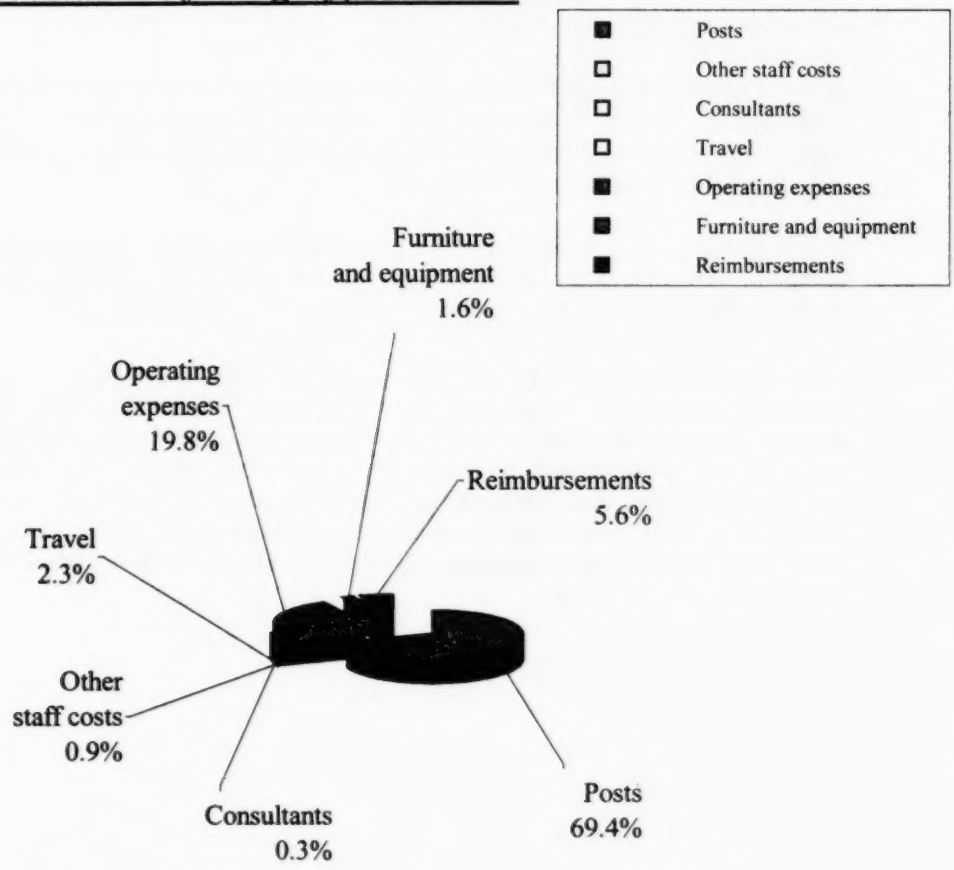
168. Travel. The estimated appropriation for official travel is $1.3 million, reflecting a cost increase of $68,900 and a volume decrease of $139,700 compared to the appropriation in the 2000-2001 budget. The decrease will result from measures implemented to reduce the costs related to travel of headquarters staff.

169. Operating expenses. The large cost increase of $2.2 million reflects the full impact of the increase of the New York premises lease. As noted above, this increase is apportioned among all organizational units at headquarters under programme support (at headquarters) and management and administration of the organization.

170. Furniture and equipment. The proposed appropriation for furniture and equipment is $600,000. This represents an increase of 29.1 per cent, mostly due to purchase of new furniture to furnish the additional office space.

171. Reimbursements. As mentioned earlier, this expenditure category includes the reimbursements to the United Nations, jointly financed bodies, external audit and UNDP, for services rendered on behalf of UNFPA, a cost which is no longer classified in full under the Division for Management Services but apportioned among all organizational units at headquarters under both programme support and management and administration of the organization. This is reflected in a decrease in volume of $3.6 million. As indicated above, for 2002-2003 the total for reimbursement is $9.5 million and the portion for management and administration is $5.2 million.

Figure F. Expenditures by category, 2002-2003



III. DRAFT APPROPRIATIONS DECISION

172. In light of the above, the Executive Director recommends that the Executive Board adopt the following decision:

The Executive Board

173. Having considered the 2002-2003 biennial support budget estimates of the United Nations Population Fund, as contained in document DP/FPA/2001/10,

(a) Approves gross appropriations in the amount of $168.3 million for the purposes indicated below and resolves that the income estimates of $21.8 million shall be used to offset the gross appropriations, resulting in estimated net appropriations of $146.5 million.

2002-2003 Biennial support budget	
(In thousands of United States dollars)	
Programme support:	
Country offices	82,064.0
Headquarters	37,585.4
Subtotal	119,649.2
Management and administration of the organization	48,611.0
Total gross appropriations	168,260.2
Less: Estimated income to the budget	(21,800.0)
Estimated net appropriations	146,560.2

(b) Authorizes the Executive Director to redeploy resources between appropriation lines up to a maximum of 5 per cent of the appropriation to which the resources are redeployed.

(c) Requests the Executive Director to submit proposed revisions to the biennial support budget for 2002-2003 that arise from further review of organizational requirements, including the Field Needs Assessment Survey, at the second regular session 2002.

Table I. Budget estimates by organizational unit within appropriation line, 2002-2003
(Thousands of United States dollars)

Appropriation line/ Organizational unit	2000-01 approved appropriations	Changes: Volume Amount	Changes: Volume %	Changes: Cost	2002-2003 estimates	Increase/Decrease US $000	Increase/Decrease %
A. Programme support							
1. Country Offices							
Africa	33,266.4	169.3	0.5%	2,200.0	35,635.7	2,369.3	7.1%
Arab States and Europe	13,626.6	502.8	3.7%	1,260.8	15,390.3 a/	1,763.7	12.9%
Asia and the Pacific	14,691.3	498.3	3.4%	1,341.8	16,531.4 b/	1,840.1	12.5%
Latin America and the Caribbean	13,618.5	145.7	1.1%	742.5	14,506.6	888.1	6.5%
Subtotal	75,202.8	1,316.1	1.8%	5,545.1	82,064.0	6,861.2	9.1%
2. Headquarters							
Africa Division	5,460.0	(1,285.2)	-23.5%	381.1	4,555.9	(904.1)	-16.6%
Division for Arab States and Europe	3,378.3	(64.7)	-1.9%	215.4	3,529.0	150.7	4.5%
Asia and the Pacific Division	3,999.8	(918.1)	-23.0%	387.1	3,468.8	(531.0)	-13.3%
Latin America and the Caribbean Division	3,084.4	191.8	6.2%	292.8	3,569.0	484.6	15.7%
Technical Support Division	11,914.3 c/	16.7	0.1%	1,406.0	13,337.0	1,422.7	11.9%
Strategic Planning and Coordination Division	0.0	7,810.7	NA	1,315.1	9,125.8	9,125.8	NA
Subtotal	27,836.8	5,751.1	20.7%	3,997.5	37,585.2	9,748.4	35.0%
Subtotal: Programme support	103,039.4	7,067.2	6.9%	9,542.6	119,649.2	16,609.6	16.1%
B. Management and admin. of organization							
Office of Executive Director	5,643.7	50.9	0.9%	419.0	6,113.6	469.9	8.3%
Office of Oversight and Evaluation	2,859.5	170.8	6.0%	0.7	3,031.0	171.5	6.0%
Information, Executive Board and Resource Mobilization Division	11,312.7	541.1	4.8%	637.0	12,490.8	1,178.1	10.4%
Division for Management Services	21,763.7	(5,103.9)	-23.5%	2,413.2	19,073.0	(2,690.7)	-12.4%
Office of Human Resources	4,765.6	2,498.8	52.4%	638.1	7,902.5	3,136.9	65.8%
Subtotal	46,345.2	(1,842.2)	-4.0%	4,108.0	48,611.0	2,265.9	4.9%
TOTAL GROSS APPROPRIATION	149,384.6	5,225.0	3.5%	13,650.6	168,260.2	18,875.5	12.6%
Estimated Income Credit d/	(22,000.0)	200.0			(21,800.0)	200.0	-0.9%
TOTAL NET APPROPRIATIONS	127,384.6	5,425.0	4.3%	13,650.6	146,460.2	19,075.5	15.0%

a/ Includes KATTUK countries
b/ KATTUK countries not included
c/ For UNFPA the estimated income includes: income from support to Other Resources (i.e. multi-bilateral resources) relating to programmes; income from support and procurement services provided to government-executed projects, as appropriate, the estimated balance of income from procurement services to third parties, after deduction of direct costs, and the income tax reimbursed to staff members, nationals of certain states.

Table II. Budget estimates by expenditure category within appropriation line, 2002-2003
(Thousands of United States dollars)

Appropriation line/ Organizational unit	2000-2001 approved appropriations	Changes: Volume Amount	Changes: Volume %	Changes: Cost	2002-2003 estimates	Increase/Decrease US $000	Increase/Decrease %
A. Programme support							
1. Country Offices							
Posts	55,666.5	881.6	1.6%	3,788.0	60,336.1	4,669.6	8.4%
Other staff costs	949.5	(96.7)	-10.2%	46.1	898.9	(50.6)	-5.3%
Consultants	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Travel	2,119.1	(90.2)	-4.3%	104.2	2,133.1	14.0	0.7%
Operating expenses	12,951.6	2,490.3	19.2%	1,496.7	16,938.6	3,987.0	30.8%
Furniture and equipment	3,516.1	(1,868.9)	-53.2%	110.1	1,757.3	(1,758.8)	-50.0%
Subtotal	75,202.8	1,316.1	1.8%	5,545.1	82,064.0	6,861.2	9.1%
2. Headquarters							
Posts	22,510.7	1,180.7	5.2%	1,746.3	25,437.7	2,927.0	13.0%
Other staff costs	228.4	7.1	3.1%	12.7	248.2	19.8	8.7%
Consultants	197.9	26.7	13.5%	12.1	236.7	38.8	19.6%
Travel	471.6	(31.1)	-6.6%	23.8	464.3	(7.3)	-1.5%
Operating expenses	4,081.9	630.5	15.4%	1,758.3	6,470.6	2,388.7	58.5%
Furniture and equipment	346.2	59.0	17.0%	21.9	427.0	80.8	23.3%
Reimbursements	0.0	3,878.2	0.0%	422.4	4,300.6	4,300.6	0.0%
Subtotal	27,836.7	5,751.1	20.7%	3,997.5	37,585.2	9,748.4	35.0%
B. Management and admin. of organization							
Posts	27,116.5	2,215.1	8.2%	1,678.2	31,009.8	3,893.3	14.4%
Other staff costs	400.6	(107.3)	-26.8%	15.8	309.1	(91.5)	-22.8%
Consultants	468.3	(194.1)	-41.5%	14.8	289.0	(179.3)	-38.3%
Travel	1,415.2	(139.7)	-9.9%	68.9	1,344.4	(70.8)	-5.0%
Operating expenses	7,798.8	(93.7)	-1.2%	2,239.7	9,944.8	2,146.0	27.5%
Furniture and equipment	428.9	96.4	22.5%	28.4	553.7	124.8	29.1%
Reimbursements	8,716.8	(3,618.9)	-41.5%	62.3	5,160.2	(3,556.6)	-40.8%
Subtotal	46,345.1	(1,842.2)	-4.0%	4,108.0	48,611.0	2,265.8	4.9%
TOTAL							
Posts	105,293.7	4,277.4	4.1%	7,212.4	116,783.5	11,489.8	10.9%
Other staff costs	1,578.5	(196.9)	-12.5%	74.6	1,456.2	(122.3)	-7.7%
Consultants	666.2	(167.4)	-25.1%	26.9	525.7	(140.5)	-21.1%
Travel	4,005.9	(260.9)	-6.5%	196.8	3,941.8	(64.1)	-1.6%
Operating expenses	24,832.3	3,027.1	12.2%	5,494.7	33,354.1	8,521.8	34.3%
Furniture and equipment	4,291.2	(1,713.5)	-39.9%	160.4	2,738.0	(1,553.2)	-36.2%
Reimbursements	8,716.8	259.3	3.0%	484.7	9,460.8	744.0	8.5%
TOTAL GROSS BUDGET ESTIMATES	149,384.6	5,225.0	3.5%	13,650.6	168,260.2	18,875.5	12.6%
Estimated Income Credit	(22,000.0)	200.0	-0.9%		(21,800.0)	200.0	-0.9%
TOTAL NET BUDGET ESTIMATES	127,384.6	5,425.0	4.3%	13,650.6	146,460.2	19,075.5	15.0%

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Table III. Estimated distribution of posts by source of funds and organizational unit, 2002-2003

Source of funds/ Organizational Unit		International professional category and above										
		USG ASG	D-2	D-1	P-5	P-4	P-3	P2/1	Total	Nat. Prof.	GS and Other Categ.	Grand Total
A. Programme support												
1. Country offices												
2000-2001 Regular resources1/				18	55	9	7	0	89	170	517	776
	Total - A1	-	-	**18**	**55**	**9**	**7**	**0**	**89**	**170**	**517**	**776**
2002-2003 Regular resources1/		0	0	18	55	9	9	0	91	170	517	778
	Total - A1	-	-	**18**	**55**	**9**	**9**	**0**	**91**	**170**	**517**	**778**
2. Headquarters												
Africa Division												
2000-2001 Regular resources			1	0	2	4	4	0	11	0	12	23
Total		-	**1**	**0**	**2**	**4**	**4**	-	**11**	-	**12**	**23**
2002-2003 Regular resources			1	1	2	3	0	0	7	0	6	13
Total		-	**1**	**1**	**2**	**3**	**0**	-	**7**	-	**6**	**13**
Division for Arab States and Europe												
2000-2001 Regular resources			1	0	1	2	2	0	6	0	7	13
Total		-	**1**	**0**	**1**	**2**	**2**	-	**6**	-	**7**	**13**
2002-2003 Regular resources			1	1	1	2	0	0	5	0	5	10
Total		-	**1**	**1**	**1**	**2**	**0**	-	**5**	-	**5**	**10**
Asia and the Pacific Division												
2000-2001 Regular resources			1	0	2	3	2	0	8	0	9	17
Total		-	**1**	**0**	**2**	**3**	**2**	-	**8**	-	**9**	**17**
2002-2003 Regular resources			1	1	1	2	0	0	5	0	5	10
Total		-	**1**	**1**	**1**	**2**	**0**	-	**5**	-	**5**	**10**
Latin America and the Caribbean Division												
2000-2001 Regular resources			1	0	1	1	3	0	6	0	6	12
Total		-	**1**	**0**	**1**	**1**	**3**	-	**6**	-	**6**	**12**
2002-2003 Regular resources			1	1	1	2	0	0	5	0	5	10
Total		-	**1**	**1**	**1**	**2**	**0**	-	**5**	-	**5**	**10**
Technical Support Division												
2000-2001 Regular resources			1	3	16	1	2	0	23	0	21	44
Total		-	**1**	**3**	**16**	**1**	**2**	-	**23**	-	**21**	**44**
2002-2003 Regular resources			1	3	11	5	2	0	22	0	16	38
Total		-	**1**	**3**	**11**	**5**	**2**	-	**22**	-	**16**	**38**
Strategic Planning and Coordination Division												
2000-2001 Regular resources			0	0	0	0	0	0	0	0	0	0
Total		-	**0**	**0**	**0**	**0**	**0**	-	**0**	-	**0**	**0**
2002-2003 Regular resources			1	2	3	5	2	0	13	0	13	26
Total		-	**1**	**2**	**3**	**5**	**2**	-	**13**	-	**13**	**26**
Total: A2 Programme support HQ												
2000-2001 Regular resources		-	5	3	22	11	13	0	54	0	55	109
	Total - A2	-	**5**	**3**	**22**	**11**	**13**	-	**54**	-	**55**	**109**
2002-2003 Regular resources		-	6	9	19	19	4	0	57	0	50	107
	Total - A2	-	**6**	**9**	**19**	**19**	**4**	-	**57**	-	**50**	**107**
Total: A. Programme support												
2000-2001 Regular resources		-	5	21	77	20	20	0	143	170	572	885
	Total - A	-	**5**	**21**	**77**	**20**	**20**	-	**143**	**170**	**572**	**885**
2002-2003 Regular resources		-	6	27	74	28	13	0	148	170	567	885
	Total - A	-	**6**	**27**	**74**	**28**	**13**	-	**148**	**170**	**567**	**885**

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Table III. Estimated distribution of posts by source of funds and organizational unit, 2002-2003 (continued)

Source of funds/ Organizational Unit		International professional category and above									GS and Other Categ.	Grand Total
		USG ASG	D-2	D-1	P-5	P-4	P-3	P2/1	Total	Nat. Prof.		
B. Management and admin. of org												
Office of Executive Director												
2000-2001	Regular resources		3	1	1	1	2	0	0	8	0	9	17
Total			**3**	**1**	**1**	**1**	**2**	-	-	**8**	-	**9**	**17**
2002-2003	Regular resources		3	0	0	2	2	0	0	7	0	8	15
Total			**3**	**0**	**0**	**2**	**2**	-	-	**7**	-	**8**	**15**
Office of Oversight and Evaluation												
2000-2001	Regular resources				1	4	1	0	0	6	0	4	10
Total		-	-		**1**	**4**	**1**	-	-	**6**	-	**4**	**10**
2002-2003	Regular resources				1	4	0	0	0	5	0	3	8
Total		-	-		**1**	**4**	**0**	-	-	**5**	-	**3**	**8**
Division for Management Services												
2000-2001	Regular resources			1	0	5	6	3	0	15	0	40	55
	Other res. rel. to Reimb.						2		1	3		4	7
Total		-		**1**	-	**5**	**8**	**3**	**1**	**18**	-	**44**	**62**
2002-2003	Regular resources			1	1	4	8	5	0	19	0	45	64
	Other res. rel. to Reimb.						3		1	4		5	9
Total		-		**1**	**1**	**4**	**11**	**5**	**1**	**23**	-	**50**	**73**
Information, Executive Board and Resource Development Division												
2000-2001	Regular resources	-		1	2	6	1	4	0	14	0	18	32
Total		-		**1**	**2**	**6**	**1**	**4**	-	**14**	-	**18**	**32**
2002-2003	Regular resources	-		1	4	2	9	0	0	16	0	14	30
Total		-		**1**	**4**	**2**	**9**	**0**	-	**16**	-	**14**	**30**
Office of Human Resources												
2000-2001	Regular resources			0	1	2	3	2	0	8	0	11	19
Total		-		**0**	**1**	**2**	**3**	**2**	-	**8**	-	**11**	**19**
2002-2003	Regular resources			0	1	2	4	0	0	7	0	11	18
Total		-		**0**	**1**	**2**	**4**	**0**	-	**7**	-	**11**	**18**
Total B. Man. and admin. of org.												
2000-2001	Regular resources		3	3	5	18	13	9	0	51	0	82	133
	Other res. rel. to Reimb 2/		0	0	0	0	2	0	1	3	0	4	7
	Total - B		**3**	**3**	**5**	**18**	**15**	**9**	**1**	**54**	-	**86**	**140**
2002-2003	Regular resources		3	2	7	14	23	5	0	54	0	81	135
	Other res. rel. to Reimb 2/		0	0	0	0	3	0	1	4	0	5	9
	Total - B		**3**	**2**	**7**	**14**	**26**	**5**	**1**	**58**	-	**86**	**144**
Grand Total												
2000-2001	Regular resources		3	8	26	95	33	29	0	194	170	654	1018
	Other res.rel. to Reimb		0	0	0	0	2	0	1	3	0	4	7
	GRAND TOTAL		**3**	**8**	**26**	**95**	**35**	**29**	**1**	**197**	**170**	**658**	**1025**
2002-2003	Regular resources		3	8	34	88	51	18	0	202	170	648	1020
	Other res. rel. to Reimb.		0	0	0	0	3	0	1	4	0	5	9
	GRAND TOTAL		**3**	**8**	**34**	**88**	**54**	**18**	**1**	**206**	**170**	**653**	**1029**

Notes: 1/ One National Secretarial & Clerical Post in China is temporarily filled by Field Service level staff; UNFPA reimburses the Government of the Dem. People's Rep. of Korea for the cost of seconded support staff.
2/ Other resources: posts established as per methodology explained in document DP/1997/2 on UNDP/UNFPA/UNICEF Harmonization.

TABLE IV

USE OF RESOURCES: ESTIMATED DISTRIBUTION OF PROGRAMMES AND PROGRAMME SUPPORT BY REGION AND BY COUNTRY

(In thousands of US Dollars)

Country	BUDGET (2002-2003)					POSTS (2002-2003)			
	PROGRAMME BUDGET			SUPPORT BUDGET	TOTAL Programme & Support Budgets	Support Budget Posts			TOTAL Programme and Support Posts
	Regular Resources	Other Resources	Total Resources			IP	NP	GS/Oth.	
I. AFRICA	4,560.7	845.0	5,405.7	1,234.4	6,640.1	1	2	5	8
Angola	2,280.3	0.0	2,280.3	757.0	3,037.4	1	2	7	10
Benin	542.9	334.1	877.1	776.9	1,654.0	1	1	4	6
Botswana	3,474.8	0.0	3,474.8	931.9	4,406.7	1	2	8	11
Burkina Faso	2,280.3	0.0	2,280.3	858.1	3,138.4	1	2	6	9
Burundi	3,366.2	0.0	3,366.2	882.0	4,248.2	1	2	7	10
Cameroon	1,085.9	16.2	1,102.1	353.1	1,455.3	0	1	4	5
Cape Verde	1,954.6	0.0	1,954.6	1,159.5	3,114.1	2	1	6	9
Central African Republic	2,606.1	0.0	2,606.1	764.1	3,370.2	1	2	5	8
Chad	760.1	980.8	1,741.0	232.1	1,973.1	0	1	3	4
Comoros	1,411.6	0.0	1,411.6	766.0	2,177.6	1	1	3	5
Congo	7,818.3	0.0	7,818.3	921.1	8,739.5	1	2	5	8
Congo, Democratic Republic of	2,823.3	77.4	2,900.7	869.4	3,770.0	1	2	6	9
Cote d'Ivoire	868.7	0.0	868.7	356.0	1,224.7	0	1	3	4
Equatorial Guinea	1,954.6	77.4	2,032.0	584.8	2,616.7	1	1	3	5
Eritrea	7,166.8	3,907.7	11,074.5	1,196.9	12,271.4	2	3	8	13
Ethiopia	542.9	0.0	542.9	326.5	869.4	0	1	3	4
Gabon	1,194.5	10.0	1,204.5	352.9	1,557.4	0	1	3	4
Gambia	5,646.6	1,943.8	7,590.4	821.7	8,412.0	1	3	7	11
Ghana	2,823.3	174.5	2,997.8	716.6	3,714.4	1	2	5	8
Guinea	977.3	0.0	977.3	789.9	1,767.2	1	1	3	5
Guinea-Bissau	4,126.3	1,664.0	5,790.3	1,499.2	7,289.5	2	2	7	11
Kenya	1,085.9	0.0	1,085.9	228.8	1,314.7	0	1	3	4
Lesotho	2,063.2	0.0	2,063.2	393.0	2,456.2	0	1	3	4
Liberia	4,452.1	207.1	4,659.2	1,005.9	5,665.1	2	2	9	13
Madagascar	3,692.0	2,880.7	6,572.7	780.2	7,352.9	1	2	5	8
Malawi	4,234.9	79.4	4,314.3	865.2	5,179.5	1	3	7	11
Mali	1,628.8	1,201.6	2,830.4	681.6	3,512.1	1	2	4	7
Mauritania	130.3	0.0	130.3	278.5	408.8	0	1	3	4
Mauritius	4,234.9	7,599.0	11,833.9	1,499.1	13,333.0	2	2	8	12
Mozambique	1,520.2	482.0	2,002.2	820.3	2,822.5	1	2	4	7
Namibia	4,126.3	1,744.3	5,870.6	901.0	6,771.6	1	2	6	9
Niger	10,858.8	0.0	10,858.8	1,395.3	12,254.1	2	3	10	15
Nigeria	2,063.2	0.0	2,063.2	793.4	2,856.6	1	2	5	8
Rwanda	434.4	0.0	434.4	258.6	692.9	0	1	3	4
Sao Tome and Principe									

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Country	BUDGET (2002-2003)					POSTS (2002-2003)			
	PROGRAMME BUDGET			SUPPORT BUDGET	TOTAL Programme & Support Budgets	Support Budget Posts			TOTAL Programme and Support Posts
	Regular Resources	Other Resources	Total Resources			IP	NP	GS/Obs	
Senegal	3,257.6	0.0	3,257.6	1,049.8	4,307.5	1	1	8	12
Seychelles	86.9	0.0	86.9	-	86.9	0	0	0	0
Sierra Leone	2,714.7	0.0	2,714.7	826.8	3,541.5	1	2	6	9
South Africa	1,520.2	1,625.1	3,145.4	752.0	3,897.3	1	2	4	7
Swaziland	651.5	0.0	651.5	256.3	907.9	0	1	3	4
Togo	1,954.6	0.0	1,954.6	742.9	2,697.5	1	1	6	8
Uganda	6,298.1	6,244.6	12,542.7	1,453.3	13,996.0	2	3	8	13
United Republic of Tanzania	4,452.1	5,589.9	10,042.0	1,681.3	11,723.4	2	2	9	13
Zambia	3,583.4	2.4	3,585.8	758.0	4,343.8	1	2	5	8
Zimbabwe	2,714.7	1,004.1	3,718.8	873.8	4,592.6	1	2	6	9
Regional Africa a/				190.4	190.4				
Sub-Total, Africa	110,015.1	30,698.0	186,716.3	35,635.7	261,352.0	43	78	236	356
II. ARAB STATES AND EUROPE									
Albania	651.8	0.0	651.8	894.1	1,545.9	1	1	4	6
Algeria	2,172.5	241.3	2,413.8	833.7	3,247.5	1	1	5	7
Armenia	564.9	0.0	564.9	162.9	727.8	0	1	1	2
Azerbaijan	912.5	173.8	1,086.3	216.7	1,303.0	0	1	2	3
Bahrain	21.7	0.0	21.7	-	21.7	0	0	0	0
Belarus	260.7	0.0	260.7	-	260.7	0	0	0	0
Bosnia and Herzegovina	391.1	0.0	391.1	223.3	614.3	0	1	1	2
Bulgaria	260.7	0.0	260.7	-	260.7	0	0	0	0
Djibouti	977.6	0.0	977.6	279.1	1,256.7	0	1	2	3
Egypt	4,562.3	2,206.8	6,769.1	1,138.5	7,907.6	2	2	6	10
Estonia	65.2	0.0	65.2	-	65.2	0	0	0	0
Georgia	543.1	0.0	543.1	144.8	687.9	0	1	1	2
Iraq	1,694.6	0.0	1,694.6	-	1,694.6	0	1	0	1
Jordan	1,086.3	0.0	1,086.3	775.4	1,861.6	1	1	4	6
Kazakhstan	912.5	173.8	1,086.3	270.0	1,356.3	0	1	2	3
Kosovo	108.6	856.5	965.1	-	965.1	0	0	0	0
Kyrgyzstan	890.7	173.8	1,064.5	211.9	1,276.4	0	1	2	3
Latvia	152.1	0.0	152.1	-	152.1	0	0	0	0
Lebanon	651.8	2,101.7	2,753.4	380.7	3,134.1	0	1	2	3
Libyan Arab Jamahiriya	10.9	0.0	10.9	-	10.9	0	0	0	0
Lithuania	173.8	0.0	173.8	-	173.8	0	0	0	0
Morocco	3,258.8	327.4	3,586.1	1,207.8	4,793.9	1	2	5	8
Occupied Palestinian Territories	1,738.0	917.1	2,655.1	861.8	3,516.9	1	1	3	5
Oman	21.7	23.9	45.7	-	45.7	0	0	0	0
Poland	173.8	0.0	173.8	-	173.8	0	0	0	0
Qatar	10.9	0.0	10.9	-	10.9	0	0	0	0
Republic of Moldova	304.2	0.0	304.2	-	304.2	0	0	0	0
Romania	651.8	0.0	651.8	846.7	1,498.5	1	1	4	6
Russian Federation	825.6	468.8	1,294.3	228.1	1,522.4	0	1	1	2

Country	BUDGET (2002-2003)					POSTS (2002-2003)			
	PROGRAMME BUDGET			SUPPORT BUDGET	TOTAL Programme & Support Budgets	Support Budget Posts			TOTAL Programme and Support Posts
	Regular Resources	Other Resources	Total Resources			IP	NP	GS/OL	
Saudi Arabia	10.9	0.0	10.9	-	10.9	0	0	0	0
Somalia	1,738.0	0.0	1,738.0	733.1	2,471.1	1	2	3	6
Sudan	4,345.0	0.0	4,345.0	896.1	5,241.2	1	2	6	9
Syrian Arab Republic	3,910.5	1,034.3	4,944.8	895.9	5,840.7	1	1	7	9
Tajikistan	912.5	173.8	1,086.3	184.1	1,270.3	0	1	2	3
Tunisia	1,086.3	505.7	1,592.0	354.2	1,946.1	0	1	5	6
Turkey	1,520.8	488.2	2,009.0	1,276.1	3,285.1	1	1	4	6
Turkmenistan	890.7	173.8	1,064.5	261.8	1,326.3	0	1	2	3
Ukraine	499.7	0.0	499.7	271.2	770.8	0	1	1	2
United Arab Emirates	10.9	0.0	10.9	-	10.9	0	0	0	0
Uzbekistan	1,173.2	173.8	1,347.0	1,036.6	2,383.6	2	1	4	7
Yemen	4,345.0	3,257.4	7,602.5	675.4	8,277.9	1	2	6	9
Yugoslavia	86.9	0.0	86.9	-	86.9	0	0	0	0
Regional Arab States b/				127.7	127.7	0	0	0	0
Sub-Total, Arab States and Europe	**44,500.9**	**13,472.5**	**58,052.5**	**15,398.3**	**73,442.8**	**15**	**32**	**95**	**132**
III. ASIA AND THE PACIFIC									
Afghanistan	3,801.1	0.0	3,801.1	-	3,801.1	0	0	0	0
Bangladesh	11,077.4	14,343.7	25,421.2	1,417.9	26,839.1	2	2	13	17
Bhutan	1,737.6	0.0	1,737.6	94.9	1,832.6	0	1	1	2
Cambodia	5,430.1	145.1	5,575.3	816.5	6,391.7	1	1	7	9
East Timor	1,238.1	0.0	1,238.1	-	1,238.1	0	0	0	0
India	26,004.6	13.3	26,077.9	1,366.5	27,444.3	2	3	11	16
China	9,231.2	0.0	9,231.2	1,449.0	10,680.2	2	2	11	15
Indonesia	6,950.6	1,817.2	8,767.8	734.1	9,501.8	1	2	7	10
Iran, Islamic Rep. of	4,081.7	0.0	4,081.7	870.0	4,940.7	1	3	4	8
Korea, Democratic People's Republic of	2,389.3	0.0	2,389.3	110.4	2,499.7	0	1	1	2
Lao People's Democratic Republic	2,172.0	15.4	2,187.4	693.9	2,881.3	1	2	6	9
Malaysia	325.8	0.0	325.8	267.8	593.6	0	1	2	3
Maldives	668.2	381.7	980.9	195.9	1,185.8	0	1	2	3
Mongolia	2,000.5	69.6	2,070.1	631.4	3,301.5	1	1	4	6
Myanmar	6,298.9	0.0	6,298.9	153.9	6,452.9	0	1	3	4
Nepal	7,602.2	2,047.9	9,650.0	1,054.2	10,704.2	2	3	9	14
Pacific Island Countries b/	3,400.5	800.6	3,407.1	-	3,407.1	0	0	0	0
Pakistan	13,032.3	8,311.9	21,344.2	1,272.6	22,616.8	2	2	10	14
Papua New Guinea	1,411.8	0.0	1,411.8	688.0	2,101.9	1	2	3	6
Philippines	5,430.1	5,452.4	10,882.5	986.9	11,870.4	1	2	7	10
Sri Lanka	2,089.2	1,154.9	3,240.0	675.3	3,915.4	1	1	5	7
Thailand	2,172.0	18.7	2,190.7	1,110.3	3,301.0	1	1	8	10
Viet Nam	7,810.4	3,549.8	11,360.2	763.3	12,124.5	1	3	7	11
Regional Asia a/				220.8	220.8	0	0	0	0
Sub-Total, Asia	**126,152.5**	**38,124.1**	**164,276.6**	**16,511.4**	**180,888.0**	**21**	**37**	**127**	**185**

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Country	BUDGET (2002-2003)					POSTS (2002-2003)			
	PROGRAMME BUDGET			SUPPORT BUDGET	TOTAL Programme & Support Budgets	Support Budget Posts			TOTAL Programme and Support Posts
	Regular Resources	Other Resources	Total Resources			IP	NP	GRAND	
IV. LATIN AMERICA AND THE CARIBBEAN									
Argentina	217.3	0.0	217.3	-	217.3	0	0	0	0
Bolivia	2,172.0	2,345.4	4,517.9	1,344.0	5,862.0	2	1	6	9
Brazil	1,303.5	0.0	1,303.5	1,284.5	2,588.0	1	2	6	9
Chile	217.3	0.0	217.3	-	217.3	0	0	0	0
Colombia	1,086.3	0.0	1,086.3	370.8	1,460.0	0	1	2	3
Costa Rica	543.1	60.0	603.1	267.5	870.6	0	1	2	3
Cuba	1,086.3	0.0	1,086.3	208.7	1,301.0	0	1	2	3
Dominican Republic	1,086.3	0.0	1,086.3	556.0	1,642.9	0	1	4	5
Ecuador	1,718.0	81.5	1,799.6	873.7	2,673.2	1	2	4	7
El Salvador	1,303.5	604.1	1,907.6	270.0	2,240.6	0	1	3	4
English and Dutch-Speaking Caribbean c/	1,629.4	626.5	2,255.9	-	2,255.9	0	0	0	0
Guatemala	1,086.3	0.0	1,086.3	761.4	1,847.7	1	1	4	6
Haiti	2,607.1	1,984.0	4,591.6	994.7	5,586.4	1	2	5	8
Honduras	2,607.1	624.6	3,231.7	753.5	3,985.2	1	1	5	7
Mexico	2,172.0	0.0	2,172.0	1,765.5	3,938.1	1	2	6	9
Nicaragua	2,389.8	2,554.2	4,944.1	930.8	5,874.8	1	1	6	8
Panama	543.1	0.0	543.1	333.4	876.5	0	1	1	2
Paraguay	1,303.5	0.0	1,303.5	299.2	1,602.8	0	1	2	3
Peru	3,041.0	65.7	3,107.3	1,566.1	4,673.4	2	1	5	8
Uruguay	217.3	0.0	217.3	-	217.3	0	0	0	0
Venezuela	1,412.2	0.0	1,412.2	187.7	1,599.9	0	1	0	1
Regional Latin America a/				192.3	192.3	0	0	0	0
Sub-Total, LAC	**29,764.1**	**8,894.9**	**38,759.0**	**14,500.0**	**53,260.0**	**13**	**23**	**69**	**105**
V. INTERCOUNTRY									
Interregional	38,950.5	11,771.1	50,721.6	-	0.0				
Regional Programmes	25,967.0	7,847.4	33,814.4	-	0.0				
Regional Africa	*10,119.9*	*3,058.1*	*13,177.5*	-	0.0				
Regional Asia	*8,971.3*	*3,058.1*	*12,029.5*	-	0.0				
Regional Arab States	*3,523.7*	*3,058.1*	*6,581.9*	-	0.0				
Regional Latin America	*3,352.0*	*3,058.1*	*6,410.1*	-	0.0				
Sub-Total, Intercountry	**64,917.5**	**19,618.5**	**84,536.0**	-	**0.0**				
GRAND TOTAL, ALL REGIONS	**305,439.2**	**118,900.0**	**512,340.4**	**82,064.1**	**589,868.5**	**91**	**170**	**517**	**778**

a/ Regional resources from programme are displayed in section V of this table.

b/ South Pacific Island Countries (SOPI) consist of: Cook Islands, Fiji, Kiribati, Marshall Island, Micronesia, Nauru, Niue, Pacific Islands, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, and Vanuatu.

c/ English and Dutch-speaking Caribbean (ESC) consists of: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Dominica Guyana, Grenada, Jamaica, Montserrat, Netherlands Antilles, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Surname, Trinidad & Tobago, and Turks and Caicos Islands.

Notes:

The programme budget breakdown by country is based on the per cent distribution of programme budget planning levels for the period 2001-2005 as approved by the Executive Director.

The support budget breakdown by country are the actual breakdown of support budget determined for 2002-2003 biennium.

Figures in this table are rounded and therefore, may not add up to the totals.

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Annex I

TERMINOLOGY

Terms upon which common agreement has been reached and their corresponding definitions are given below.

Appropriation line - Definition similar to those included in the Financial Regulations of UNDP, UNFPA and UNICEF

A subdivision of the appropriation for which a specific amount is shown in the appropriation decision and within which the executive head of an organization is authorized to make transfers without prior approval.

Biennial support budget

The budget of an organization covering Programme support and Management and administration of the organization.

Cost (increase/decrease) - ACC definition

Any increase or decrease in the cost of a resource input in the budget period compared with that in the previous budget period, arising from changes in costs, prices and exchange rates.

Management and administration of organization

Organizational units whose primary function is the maintenance of the identity, direction and well-being of an organization. This will typically include units that carry out the functions of executive direction, organizational policy and evaluation, external relations, information and administration.

Other resources

Resources of a voluntarily funded organization, other than Regular resources, which are received for a specific programme purpose (Other resources relating to programmes) and for the provision of specific services to third parties (Other resources relating to reimbursements).

Other resources relating to programmes

Resources of a voluntarily funded organization, other than Regular resources, which are received for a specific programme purpose that is consistent with the aims and activities of the organization. These will include voluntary contributions, other governmental or intergovernmental payments, donations from non-governmental sources and related interest earnings and miscellaneous income.

Other resources relating to reimbursements

Resources of a voluntarily funded organization that are received from third parties to cover the cost of providing specific services not related to carrying out Programmes entrusted to it for implementation.

Programmes

Direct inputs needed to achieve the objectives of a specific project or programme for development cooperation. This may typically include experts, support personnel, supplies and equipment, subcontracts, cash assistance and individual or group training.

Programme support

Organizational units whose primary function is the development, formulation, delivery and evaluation of an organization's programmes. This will typically include units that provide backstopping of programmes either on a technical, thematic, geographic, logistical or administrative basis.

Regular resources

Resources of a voluntarily funded organization that are co-mingled and untied. These will include pledges of voluntary contributions, other governmental or intergovernmental payments, donations from non-governmental sources and related interest earnings and miscellaneous income.

Various cost adjustments

Cost increases/decreases attributable to changes in rates or conditions not tied to currency or annual inflation adjustments.

Volume (increase/decrease)

Any increase or decrease in resource requirements attributable to changes in the level or nature of activities carried out by an organization during the current budget period and those proposed for the forthcoming budget period. Volume is expressed using the same cost factors applicable for the approved appropriations to permit direct comparison of these changes relative to the level of activities approved for the current budget period.

Annex II

METHODOLOGY

1. The methodology involves several sequential steps in calculating estimates. These calculations are effected separately for each year of a biennium. Essentially, the methodology is to take the approved appropriations for the first year of the current biennium and add the volume and cost adjustments, which results in the estimates required for the first year of the proposed biennium. Similarly, the approved appropriations for the second year of the current biennium are updated to result in the estimates required for the second year of the proposed biennium. It should be borne in mind that, normally, the time during which estimates are prepared for the proposed Biennial support budget is the first months of the second year of the current biennium. A description of each sequential step follows.

I. Volume Adjustments

2. First, using the approved appropriations as a base, the real increases or decreases in requirements are calculated and designated as volume changes. Volume changes, as defined, represent the controllable elements in the estimates, subject to the executive head's assessment of what the organization requires to perform the task with which it is entrusted. Such volume changes are calculated at the same price levels as the approved appropriations in order to facilitate comparison with the currently approved base.

II. Various Cost Adjustments

3. To the approved appropriations and volume changes are added cost increases or decreases attributable to changes in rates or conditions not tied to currency or annual inflation adjustments. Except for within-grade increments, they reflect only known changes that have occurred in the two years since the preparation of the last Biennial support budget. Such cost factors include, for example, ICSC decisions of the International Civil Service Commission on a variety of staff entitlements (e.g., dependency allowance, education grant), and changes in the average step of posts by grade level. These adjustments may also include estimates to cover within-grade increments for staff if the experience of the organization so warrants. Normally, but not exclusively, such cost adjustments apply to staff costs. An example of this type of cost adjustment for operating expenses would be a change in rate per square foot on relocation of premises.

I. Currency Adjustment

4. Currency adjustments are then calculated, by year, on the total of approved appropriations, volume and various cost adjustments. These currency adjustments would normally be the difference between the United Nations operational rate of exchange in effect on, for example, 1 April of the year preceding the current biennium and for example, on 1 April of

the second year of the current biennium, i.e., the time of preparation of the proposed biennial support budget. This factor is of particular importance given the extent of the field offices of the organization, where operating costs vary greatly with the strength or otherwise of the United States dollar.

IV. Inflation Adjustment

5. Finally, to complete the picture and to develop the final estimate of requirements for the next biennium, the organization must adjust or estimate, as appropriate, inflation over a four-year period. These adjustments are calculated, by year, on the total of approved appropriations, volume and various cost adjustments, as adjusted for currency; as follows:

(a) For the first year of the current biennium to the first year of the proposed biennium. The existing estimates already embody earlier estimates of inflation. The inflation adjustment for this transition therefore includes:

(i) The difference between the application of earlier estimates and the actual inflation for the first year of the current biennium;
(ii) The difference between the application of earlier estimates and the revised inflation projection for the second year of the current biennium; and
(iii) The inflation projection for the first year of the proposed biennium.

(b) For the second year of the current biennium to the second year of the proposed biennium:

(i) - (iii) as in (a) above; and
(iv) The inflation projection for the second year of the proposed biennium.

6. In order to arrive at these estimates of inflation, four inflation factors for each location are adopted for each year:

(a) The first inflation factor pertains to the estimated movement of post adjustment for international Professional staff;
(b) The second inflation factor pertains to international travel and common staff costs for internal Professional staff (this is the same for all locations);
(c) The third factor encompasses salaries and common staff costs for local staff, i.e., in the national Professional category and General Service and other categories, which may vary significantly from location to location; and
(d) The fourth factor relates to all other costs, such a operating expenses.

7. Within the general framework, New York and Geneva are treated separately from field offices. For these two locations, the rates used are the same as those used by the United Nations unless specific contractual commitments differ.

8. Apart from a limited number of cost elements such international travel and the common staff costs of international staff, the inflation factors for field offices must be location-specific. Estimates are compared with past experience and current global patterns and/or information that are available and published before being applied to the budget estimates.

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